

Standard Oil Company of California:
100 Octane Plant, Richmond Refinery,
Richmond, California

THE

CALIFORNIA OIL STRIKE

OF 1948



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Petroleum industry

The California Oil Strike of 1948

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FOREWORD

The off-the-record statements of company executives, conciliation officials and labor leaders involved in the strike cannot be directly quoted or attributed to their authors, except that in some cases the appearance of these or similar views in the public press has made quotation and documentation possible.

Chapter I.

Issues of the Strike

On September 3, 1948, the contracts which had governed the relations of the six major California oil companies with their respective Oil Workers International Union-CIO locals expired.¹ Although these agreements had differed in minor details, because of certain disparities in operational techniques from plant to plant, their general content and tenor were similar. And their expiration had a common effect on all the parties involved in that it brought to a head an issue which had been the source of considerable agitation since the end of the War. The issue, essentially, was the matter of an equitable raise in wages sufficient to meet increased living costs.

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1. These companies, commonly referred to as the "Big Six" by both the public press and the union during the strike, were:

Shell Oil Company, Incorporated
The Texas Company
Tide Water Associated Oil Company
Union Oil Company of California
Richfield Oil Corporation
Standard Oil Company of California

Despite the fact that the prolongation of the strike created a number of side-issues, the real issue, the one which had been the primary motivating factor in precipitating the strike, was this wage question. And the primary stimulus to the union's demands was, in turn, the differential between wages paid Eastern and Gulf oil workers and those given to Pacific Coast oilmen for performing identical jobs.

This unfavorable contrast was a psychological factor underlying the strike which was important, as far to the rank and file it was proof that their demands were just in amount and reasonable in principle.² The union leaders stated quite flatly that the wages paid their members in California should equal those paid for the same work elsewhere, which, in effect, meant they were practically asking that wages in the petroleum industry be put on a uniform, nation-wide basis.

The companies denied the logic of such a demand by pointing out that secularly the Pacific Coast petroleum wage level had consistently been lower than that of the eastern segment of the industry. The Pacific area wage structure, they maintained, was an entity in itself. Sectional peculiarities in costs, transportation and marketing factors were responsible for this distinction. Consequently, wages in California bore no inherent relation to those in other regions of the nation.

2. However, the attraction of a wage boost per se should not be ignored.

Furthermore, the companies disclaimed any obligation to raise wages beyond their offer by stating that the OWIU alleged East-West differential did not exist unless certain highly artificial comparisons were made. For example, if a plant classifying a "Head Operator 'C'," the graveyard shift foreman, as a bona fide ^{foreman} were used as the basis for a comparison for companies not following this classification system, then the total wages of the production workers in those plants would be lower by the sum of the salaries of such foremen. But, if both plants classified these "foremen" as production workers, rather than as supervisors, no real differential would exist.³ The union, however, labelled these calculations as false and misleading.

The "high-cost-of-living" argument was an integral part of this wage differential discussion. Like many other low, fixed income groups, the petroleum workers had found themselves having more and more difficulty in "making ends meet." Month by month, the cost of living had spiralled higher and higher while, in the opinion of the union leaders, wages had failed to rise sufficiently to provide a decent subsistence standard of living. The oil workers maintained that, at least, a 21 cents an hour increase was re-⁴quired to enable them to live in this manner. According

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3. The process of making calculations and comparisons of this nature is known in union and management parlance as "manipulating the base."
 4. Although, initially, the union did advance a 31 cents an hour figure and others within the 31-21 cents range, these were more in the nature of "exploratory opening bids than definite wage demands on which a stand would be made.

to the union, a wage earner needed \$15.35 a day in order to obtain what the Heller Committee calls "those goods and services that public opinion currently recognize as necessary for a healthful and reasonably comfortable standard of living."⁵ To arrive at this figure, which would maintain a standard providing the worker with one suit every two years, himself and each member of his family with two "movies" per month and ninety-six cents a day for food, the union added to the 1947 Heller "Budget for the Wage Earner" figures the percentage rise in living costs between September, 1947 and September, 1948.

In discussing the Heller Budget argument of the union, the companies stated it represented an ideal rather than a necessary minimum budget, and in a joint, full-page, metropolitan newspaper advertisement pointed out that, with one exception, their wages were closer to the Heller figures than were those of ten other California industries.

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5. Heller Committee for Research in Social Economics, Quantity and Cost Budgets For Three Income Levels, Price For San Francisco, September, 1947. (Berkeley: University of California Press, 1947), p. 3. The Committee was established in 1923 and is a division of the Department of Economics at the University of California at Berkeley. Annually, the Committee issues a budget for each of three income levels: the executive, the "white collar" employee and the wage earner. As the Heller "Budget for the Wage Earner . . ." is, in some respects, more liberal than other budgets of a similar type, such as the "City Worker's Budget" issued by the Bureau of Labor Statistics, it is frequently cited by unions to support their demands for wage increases.

"It is an oil industry policy to pay good wages. In every category from casual labor to highly skilled craftsmen, wage rates are as high or higher than those in other industries. To give you a quick picture, here's a comparison of oil industry wages with those paid workers in other manufacturing fields.

"Other Industries

"Figures below do include overtime. They were taken from the State of California Department of Labor Statistics Bulletin, Number 88, July, 1948.

1. Food Processing.....	\$11.52 a day av.
2. Meat Products.....	\$12.40 " " "
3. Textile Products.....	\$10.88 " " "
4. Paper and Allied Products.....	\$12.16 " " "
5. Industrial Chemical Products..	\$12.64 " " "
6. Rubber Products.....	\$12.88 " " "
7. Logging and Lumber Products...	\$13.92 " " "
8. Iron and Steel Products.....	\$12.48 " " "
9. Aircraft and Aircraft Parts...	\$11.44 " " "
10. Shipbuilding and Repair.....	\$14.80 " " "
11. Automobiles.....	\$12.65 " " "

"Oil Industry

"Wages Paid Before Strike	from \$10.94 a day to \$18.45 a day (casual labor) (highest skilled labor)
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With Increase Offered Before Strike	from \$11.94 a day to \$19.45 a day (casual labor) (highest skilled labor)
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Average Pay Per Day (including Offer)	\$14.39
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Above figures do not include overtime. Also, they do not include the pay of any supervisory personnel, but only wages of people affected by current negotiations." 6

In further support of their "oil-companies-pay-good-wages" theme, the "Big Six" endeavored to refute the union's contention that the oil workers had not been granted wage increases proportionate to those received in other industries and that what they had been given was inadequate to meet the cost of living. The companies took the position that:

"Oil Workers' Wages Have Gone Up Steadily

"The 12 $\frac{1}{2}$ cent an hour increase which was declined by the union was the latest of several increases offered since the end of the war. Added to the others, it gave oil workers a total increase of \$5.22 a day in that time.

This more than met the rise in the cost of living. Latest government figures show that the cost of living has gone up 72% since 1941; with the latest wage schedule offered, oil workers' pay increases have gone up 82%." 7

The oil companies further defended their refusal to increase wage by more than 12 $\frac{1}{2}$ cents an hour, and also explained their reason for selecting this particular figure on the basis of the following argument:

"Wage Increases Boost Inflationary Spiral

"To agree to an excessive and inflationary wage increase in one industry exerts pressure on all other industries. Every one is painfully aware that increases in wages are followed by further increases in the prices of all things we buy. It would be a disservice to the public, and to our employees who are a part of the public, to contribute unnecessarily to the inflationary spiral.

7. San Francisco Chronicle, September 10, 1948, p. 6.

"Our Offer was Carefully Considered"

"We didn't just pull that 12½ cents an hour figure out of the air. We studied these items carefully:

1. The increase in living costs today.
2. Oil industry wages compared with other industry.
3. Latest oil wage increases in other parts of the country.
4. The effect of inflationary wage increases on the public." 8

The union, however, hardly considered the demanded wage increase to be a "disservice" to its members. Instead, the OWIU declared that raising the wages of its members to the level of those enjoyed by workers in other segments of the industry would be conferring a definite benefit to the membership; furthermore, these demands were reasonable in that they were based both on fact and equity. But the companies insisted that the total wage increases since the War were "equivalent to increases accepted by the same Oil Workers Union in other parts of the country." 9

As an additional point for supporting its demands, the union said that its members were entrusted with machinery worth hundreds of thousands of dollars and their wages should be commensurate with such responsibility, especially as the companies in general, and the Standard Oil Company in particular, were well able to absorb the wage increases without suffering any loss. The union made its argument very clear. Under the caption "Standard Swimming in Gravy," a union newspaper stated that:

8. San Francisco News, October 11, 1948, p. 6.

9. Ibid., September 27, 1948, p. 20.

"Net profits for the first nine months of 1948 are \$117,073,083, an all-time peak and 77% higher than the corresponding 1947 period . . . Even these record-breaking profits do not include profits accruing from operations of the Arabian-American Oil Company, jointly owned by Standard and the Texas Oil Company." 10

Furthermore, declared the union, in 1939, a "good" business year, the annual profit was a comparatively piddling \$18,000,000. The upward trend from 1939 to 1948, according to union calculations, represented an increase of approximately 760 percent while during the same period wages went up only 71 percent.¹¹

Some of these union-cited figures are partially substantiated by financial data released by the Standard Oil Company itself. The Company's December 10, 1948, "Report to the Stockholders - the Third Quarter of 1948" revealed both the pre-strike profit trend for the first nine months of 1948 as well as the marked increase in profits over those for the corresponding period of the previous year.

			<u>Quarter</u>	<u>1947</u>	<u>1948</u>
Gross Operating Income			1st	\$107,238,591	\$171,821,647
" " "	" " "	" " "	2nd	\$124,981,477	\$179,386,704
" " "	" " "	" " "	3rd	\$140,322,873	\$184,376,700

And Standard Oil's "Annual Report, 1948" has disclosed additional data on the profitability of its operation during the entire twelve months period.¹²

10. The Labor Herald, November 9, 1948, p. 4.

11. Ibid.

12. Released May 1, 1949.

	<u>1947</u>	<u>1948</u>	
Net income for the year:	\$107,268,575	\$161,491,932	(13)
(equivalent to)	\$8.25 per share	\$12.42 per share	(14)
	<u>Bbls. 1948</u>	<u>Over 1947</u>	(15)
Domestic crude oil production	105,000,000	9%	
Refinery runs	112,000,000	14%	
Sales of crude oil and products	165,000,000	10%	

As has been pointed out, the union demand for a wage boost which would eliminate the alleged East-West differential was the motive for the strike. But there were, of course, other points of dispute that arose during the day-to-day evolution of the strike as well as psychological factors that had been important long before the strike was called. For example, the circumstances surrounding the negotiation of the 1947 contracts not only had a bearing on the subsequent attitude of the parties but set the pace at which the later, 1948 pre-strike bargaining was conducted.

In 1947, as in 1948, the members of the "Big Six" were each independently conducting contract negotiations. In the case of Standard Oil, discussion of the terms of the new 1947-1948 contract was not begun until the twenty-sixth of July and one of the immediate, chief obstacles to an agree-

13. Standard Oil, "Annual Report, 1948," p. 17.

14. Ibid., p. 3.

15. Ibid.

ment was the union's insistence on a union shop. The Company was vehemently opposed to any such arrangement, preferring to accept a strike rather than agree to the proposal. As a result, the union was forced to "back down." Instead, "maintenance of membership" was the form of "union security" ultimately agreed upon, with an accompanying dues check-off clause provided the Company received written authorization from its OWIU member employees directing that such deductions be made.

In addition to the type of union security which was to be embodied in the contract, the expiration date of the agreement was also the subject of dispute. Three months earlier, in its May 6-11, Fort Worth, International Executive Board Meeting, the OWIU had decided to establish a common expiration date for all OWIU contracts and had chosen July first of each year for their renewal date. This meant, in effect, that the union, if it wished to do so, could avail itself of some pretext to "stall" all the agreements and thus create a country-wide shut-down resulting in a national gasoline shortage. Naturally, this would have given the union a bargaining weapon of tremendous potential effectiveness. Standard Oil, however, realized the possible implications of this move and refused, as did the other companies, to agree to the adoption of the suggested contract date. Again, the union was forced to drop its proposal.

Yet, the union did succeed at this time in getting a wage increase of fifteen cents an hour. ^{16*} On the other

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16. For a number of years, wages and other adjustments made by the "Big Six" have been practically identical. Accordingly, the wage adjustments made by the Richfield Oil Company between May, 1941 and September, 1948 have a bearing on the wage structures of the other companies for the same period. In the Company's own words, the following adjustments were made:

"5-1-41	5 cents an hour
9-1-41	" " " "
7-1-42	" " " "
12--45	15%
1--46	3%
	<u>18%</u> Known as "the 18% adjustment"
2-16-47	10 cents per hour in base pay, which equalled \$17.30 per month, as a Cost of Living Allowance, plus \$17.70, making a total of \$35 per month extra
*10-1-47	15 cents per hour base pay, plus 10 cents per hour Cost of Living Allowance; replaced February, 1947 agreement by adding a further increase of \$8.43 a month, making the raise \$43.43 per month instead of \$35
1-1-48	30 cents per hour all in base pay, equal to \$52 extra per month; in lieu of the adjustments of February and October, 1947
7-3-48	12½ cents per hour in base pay, equal to \$21.75 extra per month (Proposed)
Average	Common laborer: \$11.95 per day
9-1-48:	Highest skilled: \$19.95 per day"

hand, Standard Oil refused to accede to the union's demand to liberalize its pension system by lowering the retirement age to fifty-five nor would the Company agree to the union-proposed health plan as it was convinced that the plan in effect was more than adequate.

Actually, this bickering played a minor role in the process of drawing up the 1947 contracts at Standard Oil and elsewhere, as there were other, more important circumstances surrounding the settlements. It is significant that:

1. There had been no major strike in the California petroleum industry since 1921.
2. Although the Richmond and other locals had given their Negotiation Committees strike votes, they were not used; the closest approximation to a strike was the week-end shut-down at the Union Oil refinery in Wilmington.
3. The major oil companies did not, publicly, undertake concerted group action in opposing the union.

The 1947 contract that was finally agreed to was due to expire on September 3, 1948. On July 2, 1948, the OWIU informed all of the "Big Six" that it wanted a new contract calling for a 31 cents an hour wage increase.

Beth the union and the five smaller companies were eager to see the manner in which Standard Oil would react to this announcement. This attitude was not a surprising one because of the fact that Standard Oil has customarily been the "leader" and "pattern-setter" in the matter of industry prices, wages and general collective bargaining pol-

icies. In view of this, the day-to-day events leading to the break-up of negotiations between Standard Oil and the union and the consequent strike are especially significant.

Standard Oil did not acknowledge the union's notification of July second until the twenty-first of the month when it proposed a conference for August third. However, it was August sixteenth before the parties met. Standard Oil then offered a wage increase of ten cents an hour and for two weeks refused to change its position.

On September first, the Company offered an "across-the-board" raise of $7\frac{1}{2}$ percent, which on a weighted average basis brought the daily wage up to \$13.38. The union replied that this was unacceptable as its men could not live on that amount and it would have to be raised further. The Company answered by stating that it had to preserve the differential between the lowest paid supervisory ranks and the highest paid wage workers and that it could go no higher than the figure it had quoted.

On the afternoon of the same day (September first,) the Company raised its offer with a bid of $12\frac{1}{2}$ cents per hour "across-the-board." The union came down to, and stood by, a 21 cents an hour figure.

Conferences held on September second were fruitless. Similarly, on September third, despite the fast approaching deadline, neither side would make the sacrifice of conceding an adjustment. No compromise or "magic" eleventh hour solution to the deadlock materialized. And, so, the strike began.

Chapter II.

The Strike

The strike was a "campaign." In a very real sense of the word, it was a "battle" involving men, money, materiel as well as leadership, strategy and morale. And, like so many other heavily charged emotional crises, it was a concatenation of constantly shifting objectives, opinions and pressure politics. Accordingly, it is difficult to "measure" the strike in any strict, prosaic chronological manner, especially as its effects did not cease with its formal termination. But, as a matter of record, it did begin on the third of September, 1948 and end, for the majority of the strikers involved, approximately nine weeks later, although in the case of the Rodeo and Wilmington locals the final "surrender" did not take place until the eighth of January, 1949.

The strike period was marked by a multitude of events which greatly influenced both the tactics and the day-to-day morale of the opposing parties. They did not occur in a neat, orderly fashion. Some of the factors had but a fleeting influence, others persisted for a considerable length of time, whereas a few appeared intermittently throughout the strike. However, despite the changing moods and constant parade of events, it is possible to separate the strike into certain practical, although arbitrary, evolutionary phases as seen primarily from the union point of view:

Phase One:

1. Cutting off of the companies' labor supply
2. Attempts to prevent the production and distribution of petroleum
3. Attempts to create public support by arousing public resentment against the oil companies, and, perhaps, to succeed in obtaining a settlement dictated by public opinion and favorable to the union

Phase Two:

1. Emphasis on maintaining concerted union action and group morale
2. Efforts to control strike breaking
3. Attempts to neutralize the companies' maneuvers as well as hostile "alien" opposition
4. Continued attempts by both parties to achieve a satisfactory settlement

Phase Three:

1. Union realization that the anticipated production and supply shortages had failed to materialize and consequent attempts to bolster union bargaining power
2. First real "break" in union demands

Phase Four:

1. Resumption of negotiations and ensuing deadlock
2. Evidence of impending union defeat grows

Phase Five:

1. Rapid disintegration of the strike takes place
2. Complete, almost abject capitulation follows

Unsupported by documentation, these so-called "phases" would be of restricted usefulness. But, accompanied by such qualifications and amplification as may be necessary, they can serve as a convenient means for indicating the "stream of events" and the general psychological "tone" of the strike. As such, they will be used in the following section of this study.

Phase One

The first step in conducting any strike is that of organizing the strikers for planned, concerted action. The contracts, as well as the negotiations, between the OWIU and the companies ended at 12:01 A.M. on September third. Within a few hours picket lines had already been thrown around a number of the oil refineries involved. The strike was under way in earnest. Some 16,000 workers were affected.

With this number of employees withdrawn from the refineries it was expected petroleum production would plummet and would, within a short while, be choked off completely. It was estimated the work stoppage would cut California gasoline production about 95 percent and that heavy Labor Day traffic would hasten the exhaustion of existing service stations stocks. The situation appeared serious, for practically all the gasoline and fuel oil used on the Pacific Coast is¹ the product of California fields.

1. San Francisco Chronicle, September 7, 1948, p. 1.

The struck companies seemed to concur in this view of a grave shortage, stating:

"This is the first time on the Pacific Coast that the public is in serious danger of being inconvenienced by a strike in the Oil Industry. If the Oil Workers strike continues, supplies of gasoline, motor oil and other petroleum products will be severely curtailed up and down the Coast." 2

On the second day of the strike it appeared that the transportation industry of the state might be gravely affected. The American Airlines had only a forty-eight hour supply of gasoline on hand, and neither the San Francisco Municipal Railway nor the Greyhound Bus Lines knew how much longer they would be able to operate. To make matters worse, motorists promptly started a "run" on their local service stations in both the Bay Area and in the South. And it was predicted that a severe gas shortage would materialize in all of the five Western states within a few days. The only reassuring note of the whole situation was the companies' declaration that:

"Although a prolonged strike would seriously affect the amount of petroleum products available to the public, there are emergency supplies set aside in every community to serve police and fire departments, hospitals and other agencies vital to the public welfare." 3

Despite these reserves, the situation was critical and something had to be done in regard to conserving and allocat-

2. San Francisco Chronicle, September 5, 1948, p. 1.

3. Ibid., p. 7.

ing the now scarce and very valuable gasoline. And it was the oil companies, not the union, that seized the initiative here, for on the third day of the strike an "unofficial" Allocation Committee composed of representatives from all the struck companies was set up.

At this time the Committee estimated that $17\frac{1}{2}$ percent of the Pacific Coast refinery capacity of the major companies was still in operation, an estimate that included the production of the General Petroleum Corporation of Bakersfield which had not been struck. However, despite this $17\frac{1}{2}$ percent figure, Mr. J. Elro Brown, District Director of the OWIU, stated that any talk of a serious fuel shortage was "more or less propaganda. There'll be gasoline for everything that's important."⁴ Nonetheless, the companies were of a different opinion. In their joint, full-page metropolitan San Francisco newspaper advertisement of September seventh entitled "HOW LONG WILL THE COAST'S GASOLINE SUPPLY LAST?", they presented "A quick picture of how the Oil Worker's strike may affect the public in the West:"

"When the Oil Workers went on strike last Friday night, the total gasoline on hand amounted to about fifteen days of average consumption. The supply has dwindled sharply for there was unusually heavy gasoline buying over the holiday weekend. Today it looks as if the supply will last about another week. And that's an overall Coast average.

4. San Francisco Chronicle, September 6, 1948, p. 7.

"Coast's reserves vary from place to place

"Some communities on the Coast, particularly Los Angeles and the San Francisco East Bay are normally supplied with gasoline directly from the refineries. Now with the refineries closed, these supplies are cut off. So the gasoline available to the public is critically low.

"Other communities, because they are located some distance from refineries, normally keep large reservoirs of gasoline on hand. They're in better shape. But only temporarily.

"Refineries' output cut sharply

"It takes men to make gasoline and motor oil and other petroleum products you use. So when the strike began last week, the total output of refineries not struck amounted to only about 250,000 barrels a day. Since then the industry's output has increased and somewhat more gasoline is being produced.

"About 350,000 barrels of crude oil a day are being processed now in comparison to 950,000 a day before the strike. And we're doing everything we can to increase this 350,000 barrel output. For the public health and welfare demand that we do all we can to protect it.

"How the oil industry is meeting the emergency

We're already 'back-hauling' gasoline - bringing it from places where there are reserves to other places where the shortage is most critical. This costs a lot of money. But we'll do it and keep doing it by rail, by ship, by truck. For we're determined to meet the emergency in the best interests of all the people." 5

That the companies made such production claims at so early a date is significant inasmuch as production turned out to be a highly crucial element in determining the out-

5. San Francisco News, September 7, 1948, p. 8.

come of the strike. And on the basis of the fact that 950,000 barrels was the normal pre-strike volume, it might possibly be assumed that the strike at this point was but 66 percent effective in its aim of bringing production to a standstill. However, these claims cannot be verified as the figures are not accessible for scrutiny. Furthermore, they include production for the entire California petroleum industry so that it is impossible to determine just what volume of production was being maintained by the struck companies. But it is clear that for the first week production was severely curtailed in both the Northern and Southern plants.⁶ Nevertheless, by the second week the companies were claiming an industry-wide production of 475,000 barrels.⁷ This volume of production was the result of the fact that the Bakersfield refineries of both Standard Oil and the General Petroleum Corporation were still in operation. The OWIU contracts of these two plants, unlike those of the other "Big Six" installations, had not expired on September third. Throughout the dispute, these plants were not struck. They not only continued production but greatly increased their output. Gasoline that was produced at Bakersfield, at Standard Oil's El Segundo refinery, which was purportedly operating at 50 percent of capacity in spite of the strike, or at any of the other struck plants was made available to the

6. In general, throughout the strike production in the South was much higher than that in the Bay Area.

7. San Francisco Chronicle, September 13, 1948, p. 1.

Allocation Committee. The Committee then distributed the gasoline on the basis of mutual benefit to all the companies. Regardless of their normal company affiliations, the service stations sold gasoline produced by any of the companies and the same "one for all" policy was followed in connection with tank truck distribution of the gas.

And so instead of fighting over the scarce supplies and indulging in costly, mutually destructive animosity, the companies displayed solidarity and unity of purpose. By a judicious allocation of their product they were successful in mitigating the effects of the shortage to a considerable extent. At the same time, this action lessened the likelihood that a resentful public might interfere and demand an immediate settlement of the strike. This was an important factor as a settlement dictated by public pressure would probably have favored the union more than the companies. Also, by thus minimizing public discontent over the strike, the companies proportionately reduced the urgency for any intervention on the part of the Administration and kept the strike mainly within the confines of a struggle between two opposing "power centers."

From the union's point of view, the removal of the public as a "party at interest" deprived it of what otherwise

8. San Francisco Chronicle, September 16, 1948, p. 1.

might have been an extremely effective support. And in addition to being outmaneuvered in this respect, the union also found that it was rapidly losing its grip on one of its most valuable and necessary weapons - the power to halt production. By September ninth, according to a Standard Oil spokesman, the union had come down in its demand to $17\frac{1}{2}$ cents.

Second Phase

The second phase of the strike ushered in an outbreak of inter-union hostility which took the form of extensive picket line crossing by AFL men on the thirteenth of September. This AFL "infiltration" was repeated on the following day.⁹ Both incidents were accompanied by considerable violence. And these disturbances were important not only because they failed effectively to control strike breaking but also for the fact they were the first instances of "violence." Eventually, the matter of "violence" grew into an issue which eclipsed that of the union's demands for a higher than $12\frac{1}{2}$ cents wage increase.

After these outburst subsided, the union arranged a truce with representatives of the AFL Boilermakers Union and the Independent Machinists Association. It was agreed by the parties involved that these two units would no longer cross the picket lines for the duration of the truce and that peaceful picketing would replace past violence.

9. See: Chapter V., "Inter-Union Relations," for further data.

On September sixteenth, according to unsubstantiated reports, a group of Richmond OWIU local officials held a meeting at which it was decided that the 12 $\frac{1}{2}$ cents offer was acceptable. Supposedly, Standard Oil was informed of this with the reservation that final word on the matter would have to await the personal decision of Mr. O. A. Knight, the president of the OWIU, who was, at that time, conferring with other striking locals in Los Angeles. Reportedly, the Company replied that this process was "undemocratic" and that it would not be a party to any settlement obtained in this manner.

On the twenty-fourth of September, negotiations, which had been conducted sporadically throughout this period, were abruptly recessed. The same day the following production report was released by an oil industry spokesman:

"In reply to union assertions that only a trickle of gasoline is coming out of the stills, and that stored supplies are being drained to the point of disappearance, we repeat that the state's refineries are processing 640,000 barrels of crude oil per day as compared to 950,000 a day before the strike. The companies are prepared to supply stations wherever deliveries are not prevented by illegal picketing." 10

It was on this note that the second phase of the strike ended. During this period, despite the truce with some of the AFL units and the IAM at Richmond, there had been consid-

10. San Francisco Chronicle, September 24, 1948, p. 1.

erable picket line crossing there and elsewhere. Standard Oil and the other companies made arrangements to feed and house their workers so that it would be unnecessary for them to run the picket line gauntlet daily. Once inside the plants, these strike breakers were safe from union retaliation and were able to contribute greatly towards increasing production volume.

Phase Three

The first significant change in this situation was precipitated not by the OWIU itself but by the signing of an agreement between the Independent Union of Petroleum Workers and the Union Oil Company. Concluded on the nineteenth day of the strike, this agreement was state-wide in nature and covered 1,089 workers employed by the Company in its pipeline, purchasing and automotive departments. Retroactive to July third, the 12 $\frac{3}{4}$ cents an hour pay hike, according to Company statements, meant an increase of \$1 per day and set the daily wage for the average oil worker at \$14.39.¹¹ Although this Union Oil-IUPW settlement did not deter the OWIU from continuing its strike, it is important for the fact that its terms are practically identical with those agreed to by the OWIU and five of the companies six weeks later, and by the OWIU and the Union Oil Company more than two months after that.

11. San Francisco Chronicle, September 23, 1948, p. 1.

Despite the fact the OWIU, ostensibly, was unaffected by this settlement, pressure against the union was becoming stronger as the union members were restless over the lack of progress. At this juncture, the companies issued another bulletin:

"A Report on the Gas Picture Today

"Refinery Production Still Increasing - Now $\frac{3}{4}$ of Normal

"Gasoline is being manufactured by the Coast's refineries at a rate nearly three-quarters of that before the strike. More gasoline was produced last week than the week before. Production has steadily increased since the refineries got back into operation after the strike started. More and more workers are returning to their jobs, and it looks as if this rate of production will increase.

"Shortages Have Been 'Spot Shortages'

Here and there on the Coast there have been some temporary shortages of gasoline in some stations, usually because of delivery problems. But these have been cleared up as they came along, practically within a few hours. There probably will be more spot shortages. But we don't expect them to be serious or to last very long." 12

By the twenty-ninth of September the situation had so improved, the companies felt, that Mr. A. C. Stewart, Chairman of the Allocation Committee, announced that 90 percent of July's gasoline volume would be allocated to retail gas outlets for the month of October.

Meanwhile, the first sign of an admitted break occurred when the OWIU itself suggested to Standard Oil that its members be paid $17\frac{1}{2}$ cents per hour extra for the period June

12. San Francisco News, September 27, 1948, p. 20.

third to September second and 19 cents an hour additional upon their return to work. This proposal was rejected.

Soon there were other indications that the union's stand was weakening. "A back-to-work movement, called 'definite and strong' by its supporters and dismissed by union officials as subversive and company inspired, showed itself among the Martinez workers . . ."¹³ There five members of Local No. 5, led by Mr. Fred Mattson, former local secretary, came forward with a proposal for a secret ballot on accepting the Shell Oil Company's offer of 12 $\frac{1}{2}$ cents.¹⁴ However, no action was taken on the matter.

But two days later a truce was proposed by Mr. Knight who declared that the strikers would return to work, thus ending the twenty-nine day old strike, on the following conditions:

1. That the six struck companies accept all employees back in their jobs under terms and conditions prevailing when the strike began September third.
2. That the companies withdraw all suits for damages against the union, its locals and members.
3. That the question of a further 8 $\frac{1}{2}$ cents an hour wage increase be submitted to arbitration under the direction of Governor Earl Warren, Acting-Governor Goodwin J. Knight, or any other person

13. San Francisco Chronicle, October 1, 1948, p. 1.

14. The proposal of this small group was not representative of the sentiment of the rank and file as, even as late as January eighth, Local No. 5 was one of the staunchest supporters of the strike.

mutually acceptable to both parties. 15, 16

The companies' response to this proposal was prompt and forceful. Shell and Union Oil labelled the plan "unorthodox," suggesting that the Federal Government should send the strikers back to work under a "cool-off order, and declared that strikers who had become involved in violence were unfit to return to their jobs.¹⁷ Similarly, Standard Oil stated it would not rehire strikers who had participated in "personal violences against non-strikers or acts of sabotage against company property."¹⁸

And just as the general OWIU negotiations were fruitless, so were the talks which the Richmond unit of the IUPW had been having with the Standard Oil Company there. Despite the fact that the IUPW had scaled its demands down to 15 cents, the Company refused to concede more than 12½ cents. A special meeting of IUPW members held for the purpose of discussing this deadlock failed to bring forth any solution.

Meanwhile, the Allocation Committee announced that the over-all State-wide production of petroleum had now reached an output which amounted to 94.1 percent of its pre-strike volume.¹⁹ The Committee also stated that sufficient supplies

15. The "Mr. Knight" heretofore mentioned has been Mr. O. A. Knight, the OWIU official. Any future reference to Mr. Goodwin J. Knight will include the title of "Acting-Governor."

16. San Francisco Chronicle, October 3, 1948, p. 1.

17. San Francisco News, October 4, 1948, p. 6.

18. San Francisco Chronicle, October 4, 1948, p. 1.

19. Ibid., October 8, 1948, p. 14.

of heating oil and diesel fuel oil would "be available to meet military, civilian and industrial needs of the Pacific Coast throughout the coming Winter."²⁰

In addition to claiming that their production was "near normal," the companies stated that the number of "returnees" was constantly increasing. The Texas Company, with plants in Southern California, had been the only major oil company to shut down its refineries completely at the start of the strike. On October fourth the Company resumed its refining operations and claimed, by the tenth of the month, that 70 percent of its employees were back at work. The Richfield Oil Company said its hiring hall was doing "a brisk business" and the Shell Oil Company likewise reported that "many workers (are) returning to their jobs."²¹

Similar claims were made by the other companies. Standard Oil reported that its El Segundo plant was operating at near capacity and that between 35 and 50 men were returning to work daily at the Richmond refinery. A Company spokesman stated that 1,900 men were working in the Richmond plant. "This," he said, "is a marked increase over the low of 600 at the start of the strike and they are still coming in."²²

20. San Francisco Chronicle, October 8, 1948, p. 4.

21. Ibid., October 9, 1948, p. 6.

22. Ibid.

Mr. G. H. Hemmen, Standard Oil's Richmond Plant Manager, reported on the status of operations there as follows: "Our production is practically normal. We are operating with supervisory personnel, old employees and new employees."²³ Shell Oil reported that about 40 percent of the strikers had returned to their jobs in the production, pipe-line and natural gas divisions of the Company by this date (October ninth) and that during one two-day period alone some 124 strikers reported back to the Wilmington plant. The Union Oil Company claimed that its refinery at Oleum (where feeling against the Company was particularly intense) had been adding 30 to 35 men to its work force every day for two²⁴ weeks.

The various locals denied these reports of constant desertion and greatly increased production. In rebuttal, a Richmond local official said: "Maybe they're sneaking in one or two men a day, but at least that many are coming out." He estimated Standard Oil's actual production as being "only 20 percent of normal, and that of inferior²⁵ grade." The same opinion was echoed by Mr. Frank Casey, Secretary of Local No. 326 at Rodeo:

23. San Francisco Chronicle, October 9, 1948, p. 6.

24. Ibid.

25. Ibid.

"They got a few men in there by way of Southern Pacific trains. But only four of their 20 units are working and some of these at only partial capacity. They need experienced men to make gasoline. It takes months to train scabs. They're making gasoline at about one-third of their capacity, and that of inferior grade. The stuff they're shipping out is coming from storage." 26

The crossing of picket lines by scabs was accompanied by sporadic violence at the various plants. Richmond, once again, was the scene of considerable disorder. Windshields were smashed and cars overturned; both scabs and police were stoned. Bay Area newspapers ran such headlines as: "NEW
27
VIOLENCE IN OIL STRIKE."

Such was the third phase of the strike, a period marked by mounting production, increased desertion by the strikers, more violence and a deadlock in the settlement discussions.

Phase Four

The strike now settled into a "no negotiations" period. There were no meetings among the parties. The companies, however, not only publicly reiterated their now familiar 12½ cents offer but announced that production had now reached the daily mark of 870,000 barrels. And Shell Oil filed a
28
\$3,360,000 damage suit against Local No. 5 at Martinez.

26. San Francisco Chronicle, October 9, 1948, p. 6.

27. Ibid., October 11, 1948, p. 1.

28. This suit is discussed in Chapter IV, "Legal Action."

Meanwhile, the subject of "violence" was attracting increased attention in the press and from the companies themselves. The reaction of the companies to these constantly recurring outbreaks was expressed by Mr. Reese Taylor, president of the Union Oil Company and spokesman for the "Big Six," who said the employers were:

"... simply not going to take back people who have been guilty of violence. We cannot ask non-striking workers to work with those who committed acts of violence during the strike or who terrorized their wives. We have no quarrel with the union as such. We will sign a contract with them tomorrow. They know our position on wages. But we will not take back these violent guys, nor will we replace any of the people currently working." 29

The fact that the companies were persisting in their stand against reemploying anyone guilty of violence, "or other acts of misconduct," was very definitely changing the complexion of the strike. Initially, such an avowal might have been considered solely as a natural reaction to any type of violence. Now, however, the feeling had long since passed the stage of being a "reaction" and had become a rallying point of resistance around which the companies took an adamant position.

The crux of the disagreement, ostensibly or otherwise, was no longer the matter of the 12½ cents wage increase. Instead, the "rehiring" clause, which the union had mentioned

29. San Francisco Chronicle, October 18, 1948, p. 7.

for the first time in its "truce" offer of October third, had become the burning issue.³⁰ The union was no longer in the position of demanding a settlement on its own conditions, but was reduced to hoping for a settlement which would in some miraculous way be a face-saving approximation of its initial demands. The psychological turning point had been reached. The union's position was becoming more and more untenable.

Final Phase

On October twentieth the Allocation Committee lifted all California gasoline rationing, the National Labor Relations Board in Washington decided to issue an order calling for a jurisdictional election at Standard Oil's Richmond plant and the IUPW local at Richmond reached an agreement with the Company for returning to work there, an agreement which entained the same terms that had been agreed to by the IUPW and the Union Oil Company on September twenty-third.

Also, on the twentieth Mr. Knight, as spokesman for the OWIU, submitted the following offer to the Standard Oil Company in Richmond and to the Richfield and Texas Oil Companies in Los Angeles:

30. See: pp. 26-27 of this Chapter for terms of that offer.

"It is proposed that the strike be settled immediately on agreement to the following conditions:

1. Elimination of all issues that have developed as a result of the strike.
2. Minimum revisions of the contracts.
3. Wage increases of $12\frac{1}{2}$ cents an hour, retroactive to July 3, and firm until March 15, 1949.
4. Consideration of fringe issues." 31

This proposal had some significant features which differentiated it from the earlier overture of October third. Both plans proposed dropping strike-created issues. However, unlike the first offer, this one agreed to the $12\frac{1}{2}$ cents increase and made no mention of arbitrating the wage issue. Also, this was the first occasion any "firm" date was suggested, which may indicate that the union intended to reopen the wage question after expiration of the proposed six months contract period.

However, despite the resumption of negotiations, no agreements were reached and the subject of violence once again held the spotlight. Mr. Sidney Belither, an executive vice-president of the Shell Oil Company, reiterated the companies' stand on reinstating certain workers:

"The right of strikers who have committed violence are fully protected by provisions of the law. We cannot agree that these cases be arbitrated. Any employee whom we refuse to rehire has recourse to the NLRB. If the Board finds he has been discriminated against, it has the power to reinstate him.

31. San Francisco Chronicle, October 21, 1948, p. 1.

We think it highly improper for us to enter into an agreement with the union in an attempt to by-pass these procedures established by Federal law." 32

In response to this, Mr. Knight filed a petition with the Los Angeles regional office of the NLRB charging the companies with refusal to bargain collectively and declared:

"During the entire period of the strike, the OWIU has made every reasonable effort to arrive at a settlement that would be fair to the workers, to the employers, and to the public.

"In spite of the companies' well advertised statement that they, too, are willing to agree to a fair settlement, their action in rejecting every one of our reasonable offers proves conclusively that they do not mean what they say.

We are, therefore, compelled to announce that we are determined to prosecute our strike by every legitimate method and for as long a period as is necessary to convince the oil companies we are determined they cannot succeed in their program, which is nothing more or less than an all-out attempt to break our union." 33

Negotiations with Standard Oil made no headway. On the twenty-third of October the Company knew that the NLRB was about to bring out an order directing that a jurisdictional election be held at Standard's Richmond plant in order that the question of the proper, representative bargaining agents for the plant could be determined conclusively. Such a directive became public on the afternoon of October twenty-fifth and the election was subsequently set for November seventeenth and eighteenth. As this had the effect of placing the Richmond OWIU local's status as the plant bargaining

33. San Francisco Chronicle, October 22, 1948, p. 2.

agent in doubt, the union was unable to continue negotiating with Standard Oil as no contract could be forthcoming until after the election results were known.³⁴ At other plants, though, discussions continued.

At this point it was becoming more and more clear that the strike was on the verge of collapsing. Such a faltering strike is often characterized by emotional appeals based on what are really extraneous issues, by frantic efforts to broaden its scope so that interests of a larger segment of the public appear to be at stake. This is done, of course, in an attempt to give the strike additional impetus and to buttress the issues which thus far have failed to sustain the strike's drive.

The following appeal, made by Mr. Knight, is illustrative of such a maneuver:

"We call upon every fair-minded citizen, particularly members of all unions, to support us in this strike, as we are convinced our entire Nation will suffer if the monopolistic oil industry is able to blaze a union-breaking trail for all industry." 35

This plea was supported by CIO President Philip Murray in a telegram to Mr. Knight which urged all CIO unions to "extend every possible moral and financial aid" and charged that:

"The oil monopoly, headed as usual by Standard Oil, is attempting to destroy the Oil Workers Union on the West Coast.

34. However, the possibility of an "informal" settlement was not precluded.

35. San Francisco Chronicle, October 22, 1948, p. 2.

The union has agreed to arbitration, but the oil monopoly has brushed aside every offer by the union and public agencies to settle this strike. This is the end result of Taft-Hartley-ism." 36, 37

However, Mr. Murray's appeal did not create any effective support for the rapidly weakening strike. In regard to the general situation and Mr. Knight's statement, one newspaper made the following comment:

"The oil strikers apparently were buckling fast. There were still brickbat and bottle battles between strikers and workers. But O. A. Knight, president of the union, announced that only one thing, the question of rehiring workers accused of strike violence, stood in the way of settlement. On other issues Knight was willing to back down the ladder. He piously told reporters: 'We are willing to sacrifice our aims for the good of the country'." 38, 39

At this point, Local No. 445 at Martinez and the Shell Chemical Corporation, the research section of the Shell Oil Company, reached an agreement covering 450 workers which provided a raise of 12½ cents an hour retroactive to July third, the rehiring of all workers as well as the withdrawal of all law suits. ~~These terms were~~

This particular settlement had limited applicability as far as the over-all strike picture was concerned. The Shell Oil Company, in announcing the agreement, made this

36. Oakland Tribune, October 26, 1948, p. 1.

37. A somewhat different version of this telegram appears in The Labor Herald, November 2, 1948, p. 8: "The oil monopoly, headed by Standard Oil, is attempting to destroy the OWIU on the West Coast. That is the plain and simple issue of the dispute as it now stands. There is no question of wages or better economic conditions in the California Oil Workers' Strike today."

38. Note the implied bias of the word "piously."

39. San Francisco Chronicle, "This World," October 24, 1948, p. 4.

clear by stating that the Chemical workers had not engaged in acts of violence such as those "which prevailed at Shell's Martinez plant and elsewhere."⁴⁰ The Company's policy regarding violence remained unchanged. The deadlock persisted.

Nevertheless, to some observers this Shell Chemical settlement was an omen of the impending doom of the entire strike. As one newspaper commented:

"The oil strike was crumbling like a sand castle at high tide.

The first wall fell last week when the CIO Oil Workers International Union signed a contract with the Shell Chemical Corporation in Pittsburgh, ending the 54 day strike. The 450 Shell Chemical workers might just as well never have left the oil plant for the picket line. They got just what the oil industry had offered them originally . . ."⁴¹

Meanwhile, scab-filled automobiles were rolling into Standard Oil's Richmond plant and Shell reiterated its refusal to rehire thirty-two of its 3,200 striking employees while Tide Water Associated maintained a similar position on sixteen of its 3,000 strikers. This action led a union spokesman to complain that the companies were "making a Pearl Harbor out of our union."⁴²

Negotiations, which were now dragging on from day to day, were characterized by much recrimination between the parties. The union denied the charge made by Mr. Sidney

40. San Francisco Chronicle, October 28, 1948, p. 1.

41. San Francisco Chronicle, "This World," October 30, 1948, p. 3.

42. San Francisco News, October 29, 1948, p. 11.

Belithers of Shell Oil that "the union had retracted its previous agreement on several key issues, thus nullifying the progress made during the previous several days."⁴³

At this point the Shell Company mailed its employees a list of contract clauses which it charged the union had agreed to originally but subsequently rejected. The purpose of this list, said the Company, was "to bring the strikers up to date on the negotiations."⁴⁴

The following day, November first, 130 workers at a Shell Chemical plant near Long Beach voted to accept the proposed settlement; the next morning they returned to work. This capitulation was followed by a series of meetings called by various (production worker) locals. On November second, locals at Ventura, Coalinga, Bakersfield and Long Beach, whose 3,200 members had been out on strike against Shell, voted to ratify the Shell contract. The one "hold-out" was Local No. 5 at Martinez. However, Mr. A. R. Kinstley, vice-president of the OWIU, declared that the negative Martinez vote had been nullified by the affirmative vote of the other locals, 57 percent of whose membership were in favor of accepting the Shell offer and resuming work.⁴⁵

43. San Francisco News, October 29, 1948, p. 11.

44. Ibid., October 30, 1948, p. 1.

45. Oakland Post-Enquirer, November 3, 1948, p. 1.

The implication of these settlements, the first major "break" in the sixty-day old strike, was summarized by a metropolitan newspaper in the following manner:

"The contract ratification . . . provides a wage raise of 12½ cents an hour above the pre-strike rate of \$1.68, exactly what the six oil firms offered before the strike began.

"On the controversial matter of rehiring strikers accused of engaging in violence, the union accepted a company formula under which such cases will be reviewed by a board of two union men and two company representatives.

The union bowed to company insistence that it will not rehire employees found guilty of strike violence. . . . The union also agreed to a company stipulation that nonstriking workers promoted during the walkout will retain their higher posts and seniority." 46, 47

A general "peace movement" along these lines got under way throughout the entire strike area. Pickets were withdrawn from all the Shell plants. Local No. 5, which had labelled Shell's terms "unfair" and insisted it would continue to strike, executed an abrupt about-face and decided to return to work. At El Segundo, Standard Oil workers also ratified a contract similar to that of the Shell Company while the San Joaquin and Southern California field, pipeline and refinery workers of the Tide Water Associated Oil Company signed a comparable agreement. At the same time, Texas Oil Company employees scheduled a meeting in Los Angeles in order to vote on the same general contract terms.

46. Oakland Post-Enquirer, November 3, 1948, p. 1.

47. This article neglects to state that the stipulation contained the clause that a tie vote was to result in the discharge of the defendant striker.

Accordingly, by November fourth, only two of the six major companies, and one plant of a third, had not concluded some sort of an agreement. The Union Oil Company, at its headquarters in Los Angeles, was still in the process of negotiating with the union while the Richfield Corporation was planning to resume discussions. A settlement had been reached at Standard Oil's El Segundo plant, but the possibility of a contract being signed at Richmond was being held up by the fact that the NLRB election would not take place until the seventeenth and eighteenth of the month.

Despite the fact that a number of plants had signed separate agreements resulting in the return of some 10,000 employees, the strike, on an over-all basis, had not terminated. Workers remained on strike against the Richfield Corporation and at Tide Water Associated's Avon plant, Standard Oil's Richmond refinery and at all of Union Oil's installations.

Nevertheless, despite this scattered "resistance," the strike was on the verge of complete collapse. The union, ostensibly at least, continued to act and talk as though the strike was still a "going affair." For example, as late as November fifth, Mr. O. A. Knight stated:

"We wish to reiterate that this union is not ready to settle on terms proposed by the companies. Those companies seek to punish hundreds of our members for striking by removing them from their jobs. This sort of thing the union cannot accept." 48

48. San Francisco Chronicle, November 6, 1948, p. 1.

This pronouncement had little meaning as the local that had been the very heart of the OWIU's resistance surrendered the following day. Even though it was impossible to obtain the guarantee of a written contract because the NLRB election was still pending, Local No. 561 at Richmond voted to accept Standard Oil's terms in principle. In effect, the local agreed to resume work on the basis of an oral understanding which was practically identical to the formal contract that had been signed a week before at Standard Oil's El Segundo plant. Thus, the Richmond-Standard Oil phase of the OWIU's campaign ended in abject surrender in comparison to what had initially been the announced objectives of the strike. In this connection, it is significant that the OWIU capitulated without obtaining from Standard Oil any concessions on the violence issue or getting more than the 12½ cents an hour raise the Company had been willing to give some eight weeks previously before the start of the strike.

Despite the fact the strike thus appeared rapidly to be drawing to a close, the two "hold-out" locals, Local No. 326 at Rodeo and Local No. 218 at Wilmington, refused to accept the settlement terms proposed by the Union Oil Company.

The Union Oil phase of the strike continued long after the other companies and locals had settled their differences for several reasons that were distinctive to the Union Oil situation. For one thing, although the locals charged that the companies in general had made extensive use of scabs in order to maintain production, actually few such "imports"

had been hired except in the case of Union Oil which, in the Wilmington-Los Angeles area, had taken on a large number of new workers. The Company's success in thus obtaining recruits turned into an ironic boomerang in that it was the most important factor in prolong the strike for an additional two months. As a matter of principle, the Company felt that it could not give in and discharge these new men and the local at Wilmington was unwilling to see its men lose their jobs because of these recruits.

Furthermore, during the strike the Company had turned over its maintenance work to independent AFL contractors with the result that CIO men who formerly had done this work now found that their jobs came under AFL control. The Company refused to break its contracts with these AFL contractors; both Local No. 128 and No. 326 refused to consider a transfer of the 580 men involved from their rolls to those of the AFL units concerned. This impasse lasted for weeks. It was not until the locals backed down on the "contracting-out" clauses and a solution was devised for dealing with the problem created by the job-filling presence of the strike-time hired workers that there was an opportunity for a settlement that would give some satisfaction and an "out" to both parties.

The method for "sloughing-off" the new workers lay in the creation of a manpower pool which was to function in the following manner: If ex-striker production workers found

their jobs held by scabs whom the Company, ostensibly, was committed not to discharge, the returnees would enter the manpower pool and for the first ten days would be assigned to whatever work was available.⁴⁹ After that period, the Company would attempt to place them in higher paying positions in the order of their seniority as such jobs "opened up." If a recruit and a senior employee were competing for a position, seniority would rule and the newcomer would find himself frozen out of that particular job and probably out of employment altogether. Furthermore, on the excuse of being overmanned and having insufficient work, it was possible to discharge the recently acquired employees on the equity basis that men with the least seniority should be let off first. And while this whole process may seem to have involved elaborate maneuvering to accomplish a result that could have been achieved far more directly, it had to be handled in this manner because of the psychological implications involved on each side. In this connection, it is noteworthy that while the locals were at time highly critical of this pool plan, they nevertheless admitted its practicability.⁵⁰

That an agreement along these lines was ultimately reached should not obscure the fact that the locals, up until the settlement date, carried on a bitter and vigor-

49. The union members were especially indignant that during this ten day period they would be assigned the work and wages of "yard laborers."

50. The Labor Herald, January 4, 1949, p. 1.
The Labor Herald, January 11, 1949, p. 1.

ous campaign despite their being the only two units "left in the field." In December an energetic "Don't Buy Union Oil!" product boycott was launched and made considerable headway.⁵¹ Nonetheless, after having been "out" for more than four months, the two locals found it increasingly harder to keep going. And although two earlier strike ballots had resulted in a decision to continue striking, on Saturday, January eighth, the locals, on the basis of a majority rule, voted 515 (at Rodeo) for continuance and 551 (at Wilmington) for acceptance with the result that it was decided to call off the strike. Accordingly, a contract was concluded with the Company; the strikers were to resume work after the week-end. Except for the "contracting-out" and pool provisos, this Union Oil Company settlement contained the 12½ cents an hour wage hike and the concomitant clauses which had been agreed to by the other striking OWIU locals more than two months earlier.

Thus, "technically speaking," the oil strike that began on Friday, the third of September, finally "limped" to a halt on Monday, the tenth of January.

51. Officials of the Rodeo local stated that although they felt this was a good supplementary tactic to use in support of their main effort, it could never in itself be determinative.

Chapter III.

Conciliation Efforts

Some of the qualities demanded of a conciliator are: tact, patience, timing and a psychic sixth sense of knowing what particular overtures will be acceptable to both parties. It is not strange, then, that achieving successful conciliation in a labor dispute is a highly specialized function demanding great skill.

In general, the term "to conciliate" has been defined as meaning: "to placate, win over, render compatible, reconcile." But as far as industrial relations are concerned, the basically significant interpretation is its literal meaning of "to bring together," for the very first move of a conciliator is to get the parties to meet for a discussion of the questions at issue.

His role is both a delicate and an exacting one. It has been pointed out that "he ends hostility, not by coercing the contestants, but by disintegrating partisanship. This he accomplishes by supplying substitutes for conflict gestures. . . . He must keep the opponents from further irritating each other. Success of the conciliator depends largely upon the aptness of his techniques of social control, that is, upon the suitability of his overtures to elicit the desired responses between the parties. He must, therefore, remain neutral. . . . The conciliator's success also depends upon his ability to adjust the character of his gestures to the attitudes of the contestants."¹

This, then, is the ideal type of adjustment procedure which conciliation is expected to provide if a strike is to be resolved through such a medium. However, the temperament and general setting of the oil strike proved far from conducive to this mode of solution.

1. Ernest Theodore Hiller, The Strike - A Study in Collective Bargaining, (Chicago: University of Chicago Press, 1928), pp. 177-178.

Conciliation efforts got off to a distinctly inauspicious start. On September seventh, Mr. Glen Bowers, head of the State Conciliation Service in San Francisco, proposed that the parties hold a roundtable discussion of the wage issue with the "understanding that joint discussion shall not imply any change in the practice of negotiating and concluding agreements."² The companies promptly squelched this suggestion. Not only was it unacceptable to them because it was tantamount to industry-wide bargaining, but it was impractical as well as each company had³ "individual operating problems."

Accordingly, as a substitute to "centralized conferences," the Service arranged individual management-union meetings with four of the struck companies; the Shell Oil Company was already in the process of negotiating while the Texas Company was planning to begin discussions within a few days. Mr. Bowers, who attended a meeting between Shell officials and delegates from Local No. 445 at Martinez, reported that the union had been "very friendly."⁴ However, no agreements resulted from any of the meetings that had been arranged by the Service.

Meanwhile, the Federal Conciliation Service, which had been watching the negotiations closely, was still undecided whether it would intervene. As Mr. E. P. Marsh,

2. San Francisco Chronicle, September 7, 1948, p. 1.

3. Ibid.

4. Ibid., September 8, 1948, p. 1.

Regional Director for the Federal Conciliation Service, announced:

"We don't want to muddy the waters and impede the present conferences. We'll let them alone today. But tomorrow may be a different story. I am under very definite instructions to move in if conditions warrant. We'll see tomorrow." 5

In Washington, the Federal Oil Panel expressed similar concern over the negotiations. In a telegram to Mr. J. Elro Brown, District Director of the OWIU, the Panel stated:

"We are aware that negotiations are being conducted under the State Mediation Service. But we have a duty in this emergency. We are advising you that if present negotiations do not bring about a speedy conclusion, we shall request you to meet with the special panel in joint conference." 6

Despite the fact that nothing more concrete had been achieved by these discussions other than that the parties were "somewhat closer together," Mr. Bowers declared he was still "optimistic."⁷ And yet, he stated that unless there was a fairly immediate "break," his optimism could not be maintained. "It's pretty well established that any strike that lasts for more than a week is likely to drag on for a long period."⁸ Mr. Bowers also said that he would "co-operate in every way" if the Federal Conciliation Service⁹ were to take over the negotiations.

5. San Francisco Chronicle, September 9, 1948, p. 1.

6. Ibid.

7. San Francisco News, September 9, 1948, p. 1.

8. Ibid.

9. Ibid., September 10, 1948, p. 1.

The following day the Federal agency did assume charge. Representatives of the Shell Oil Company and the union leaders involved were called into session under a special Oil Panel of the Service headed by Mr. Frank Wenig as Chairman and with Mr. John Pfau and Mr. Wayne V. Keniston as members. By the end of the same afternoon, however, these Federal conciliators had made no headway; the Company and the union were still as far apart as ever. Mr. Wenig reported: "They're sitting at the opposite ends of the negotiation table like two blocks of ice."¹⁰ And this attitude was symptomatic because it was the first in a series of failures stemming from the fact that neither side was willing "to negotiate." It was highly important, too, for the very basic reason that "unless the parties continue to negotiate either together or with the conciliator . . . a breakdown is certain."¹¹

This deadlock persisted. Meanwhile, on September thirteenth, Mr. O. A. Knight arrived in San Francisco from Fort Worth and prepared to assist OWIU negotiators in their bargaining sessions. At the same time, in Los Angeles, Mr. Max W. Ball, Director of the Gas and Oil Division of the Department of the Interior, conferred with the companies' Allocation Committee. Denying rumours that Mr. Krug might take over the entire California oil industry, Mr. Ball said: "The Secretary has repeatedly expressed himself that the govern-

10. Call-Bulletin, September 11, 1948, p. 1.

11. Hiller, op. cit., p. 178.

ment is not taking over the oil industry on this coast or anywhere else."¹²

For a few days negotiations dragged on. On the sixteenth, however, the union, which was still in the process of negotiating with Standard Oil, requested that discussions with Shell Oil and the other companies be recessed subject to resumption at the request of either party. This move led to rumours of an imminent settlement with Standard Oil.

But despite such popular sentiment, by the twenty-fourth of September even the Federal mediators realized the hopelessness of the situation. One newspaper report described their reaction in the following terms:

"Federal conciliators, who had been holding daily sessions in hopes of bringing the parties together, abruptly threw up their hands and requested a halt. No future meetings were scheduled. 'No progress was being made,' the conciliators said." ¹³

The next two "developments" that occurred had only an indirect bearing on the oil strike. One of these events was the "appointment" of a corporation lawyer and "powerful county political figure," Mr. Thomas M. Carlson, as mediator to settle the oil dispute.¹⁴ Shortly after his "appointment" by the Contra Costa Board of Supervisors, Mr. Carlson met with Mr. Belither of the Shell Oil Company. However, a heart attack suffered later the same day forced Mr. Carlson to abandon all activities in connection with the strike. After that

12. San Francisco Chronicle, September 15, 1948, p. 7.

13. Ibid., September 24, 1948, p. 1.

14. San Francisco News, September 27, 1948, p. 1.

date, no private individual, or private group, attempted to discharge any conciliation offices.

Mr. Cyrus Ching, Director of the Federal Mediation and Conciliation Service also did not intervene. Upon his arrival in San Francisco from Washington, Mr. Ching denied that his visit had been motivated by either the oil or the long-shoremen's strike.

In this regard, Mr. Ching stated:

"We have a competent staff on the Coast, and it is not my purpose to intervene in the strikes. Any intervention will come through our service out here which is quite capable of handling the situation." 15

Then,

with specific reference to the waterfront strike, Mr. Ching added: "When parties refuse to get together, there is no opportunity for mediation so long as they maintain that position." 16

And, as the days went by, it was increasingly apparent that the chances for favorable discussion were steadily diminishing. On October eighth, Chairman Frank E. Wenig of the Oil Panel received the following notice from Standard Oil: "We have been willing to meet for a discussion of the wage issue at any time, but we are convinced that nothing can be accomplished with these violent disturbances going on outside the meeting place." 17 The same day a similar note

15. San Francisco News, October 5, 1948, p. 8.

16. Ibid.

17. San Francisco Chronicle, October 7, 1948, p. 1.

was received from Shell Oil which the Company was reluctant to meet with the union "until such time as we have evidence that the union will not engage in acts of violence against our employees, their families and our properties."¹⁸

For almost ten days there were no new developments except for a statement by Mr. Knight that the companies "in effect" were refusing to negotiate. He said:

"They have sent to so-called negotiation sessions representatives who have no authority to make offers or accept our's. They have spurned several compromise offers and have spurned our offer of arbitration."¹⁹

The situation continued to languish in this manner until October nineteenth when, as a result of the efforts of State conciliators, negotiations were resumed. Union-company meetings were arranged with Standard Oil, Shell, Richfield and Union Oil. Mr. Paul Scharrenberg, Director of the State Department of Industrial Relations, said the conciliators had renewed the talks "on the expectation that an early settlement of the dispute is possible."²⁰

Negotiations got under way smoothly. Two days later, after a conference with Standard Oil, Mr. A. R. Kinstley of the OWIU said: "This is the healthiest meeting we've had."²¹ Both State Conciliator Thomas J. Nicolopoulos and a Standard Oil spokesman agreed that "substantial progress was made."²² And Mr. Bolither of Shell Oil told reporters: "I am hopeful

18. San Francisco Chronicle, October 9, 1948, p. 6.

19. Ibid., October 13, 1948, p. 19.

20. San Francisco News, October 19, 1948, p. 1.

21. San Francisco News, October 21, 1948, p. 4.

22. San Francisco Chronicle, October 21, 1948, p. 1.

that the strike can be concluded quickly."²³ And it was at this stage in the general, over-all negotiations that the NLRB unexpectedly stepped into the Standard Oil picture with its "surprise" Richmond refinery election order.

This NLRB order, which was in response to a petition filed more than a year previously by the IUPW, immediately created new complications for both the conciliators and the OWIU. The main question raised was: Could the Company continue legally to negotiate with the OWIU inasmuch as the election order put that union's status as future bargaining agent in the plant in doubt? The answer was that arrangements for settling the strike could be carried forward but no contract could be signed until after the voting results were known.

This election was restricted to the Richmond plant of the Standard Oil Company and to Local No. 561 of the OWIU-CIO and the "intervenor" locals there. It did not affect any other installation of Standard Oil, not those of the other companies, or other locals. Nevertheless, this NLRB action had important ramifications because the Richmond refinery was not only the largest of all such struck installations and Standard Oil the most influential of all the companies, but the Richmond local had been the most active of the striking union units. Loss of its bargaining agent's status, therefore, would be a severe blow not merely to the local but also to the strike and the OWIU's prestige in gen-

23. San Francisco News, October 22, 1948, p. 30.

eral. And, regardless of the fact that the OWTU might win the election, it was forced to "mark time" for an indefinite period until the results became known.

On other strike "fronts," however, developments were taking place rapidly. Mr. Bowers announced that it would²⁴ not be long before the strike was ended. Negotiations were "balanced on a needlepoint" and only a matter of procedure regarding the handling of workers Shell Oil refused to rehire because of alleged violence stood in the way of a²⁵ settlement there.

The next day, however, Mr. Bowers stated that: "There appears to be no hope for an agreement at the Shell Company in the near future."²⁶ To this remark he added the statement that there had been "no loss of ground" and that he did²⁷ not think the situation had grown worse.

But, regardless of these opinions expressed by the conciliation officials, negotiations were gaining momentum. And within four days of the last of such statements the first settlement was reached.

A study of the conciliation activities undertaken by the various Government agencies during the oil strike imme-

24. San Francisco News, October 28, 1948, p. 7.

25. Ibid., October 29, 1948, p. 7

26. Ibid., October 30, 1948, p. 8.

27. San Francisco Chronicle, October 31, 1948, p. 16.

diately raises several important questions. These are: Were the conciliation efforts inadequate? If so, who was at fault? And to what extent may the Services claim credit for the settlements that were ultimately reached?

In considering this subject, it must be realized that definitive answers are impossible. Despite the fact that innumerable meetings were held, in no cases are the minutes of such proceedings available for public scrutiny. And, unfortunately, there is little agreement or objective analysis among the participants themselves about the value of the conciliation maneuvers undertaken during the discussions. Personal bias is a very strong element here. Consequently, the whole conciliation process should be considered from the standpoint of what was a realistic and reasonably attainable goal, and what were the limitations to which it was subjected.

The factor primarily responsible for crippling effective conciliation, at least during the earlier phases of the strike, was the determination per se of the parties not to compromise. The companies had agreed among themselves that they would not concede ground; the locals were equally adamant. Thus, in effect, the resolve not to give in on any of the points at issue was the only point on which there was any accord. Naturally, this was a tremendous handicap to conciliation efforts, since the process can be so weakened by such determined opposition as to collapse completely.

Despite the fact that this attitude constituted a serious block to achieving any settlement, the conciliators did not appeal to public censure. This was partly due to the very nature of the conciliation process itself. A conciliator must maintain a reputation for impartiality. He cannot blame either party and thus excuse his own failure. To succeed he must maintain good relations with them. This means he cannot claim credit for whatever progress is being made but must ascribe it to the mutual desire of the parties to reach a settlement. Often he must be "optimistic, hopeful, feel sure that a settlement is imminent," et cetera, for the basic reason that he cannot afford to discourage the participants and have any member of the discussion withdraw.

Because of this conciliation etiquette, or code, it is difficult at times to determine whether a conciliator's statement is a report of fact or merely an expression of wishful thinking. With the infallibility of hindsight it would appear that in the majority of cases where "optimism" was expressed, such a feeling was unwarranted. At this date such sentiment seems highly ludicrous. To some it might suggest that the conciliation proposals were so out of tune with the temper of the parties and so ineptly handled that the whole procedure was of very little value to the participants. But, it must be realized that these statements were almost in the nature of "puffing" which was intended to encourage the public and the parties them-

selves. In this respect this practice did not differ substantially from countless other strikes where a similar "convention" was followed.

In addition to the determination of the parties not to compromise, a feeling which became especially strong on the companies' part after "violence" had entered into the situation, there were a number of other factors which considerably limited the chances of the Conciliation Services to achieve a speedy settlement. The two most important of these were: the isolation of public sentiment, which has already been discussed, and the refusal of the Administration to take part in the proceedings.

Although the Federal Mediation and Conciliation Service did take part in the negotiations, the policy of the "higherups" was characterized by a "hands-off" attitude. Ostensibly Mr. Ching did not intervene and Secretary Krug was quick to disclaim any intended interference in the situation by his Department.²⁸ President Truman did not take action on the OWIU telegrams pleading for his intervention. The "national emergency" clause of the Taft-Hartley Act was not invoked by the Federal Government.

This reluctance to act had a very logical basis. Starting as it did just when the political campaigns were in full swing and lasting right through to the presidential election, the oil strike was a "hot potato," particularly

28. It would be unrealistic, of course, to assume that the oil strike was not thoroughly discussed by Mr. Ching and his subordinates during his San Francisco visit.

in such a politically crucial state as California. The Administration may have considered the risk connected with intervention were greater than any possible gains to be derived thereby and consequently refused to become involved.

In view of the facts that have been cited, is it reasonable to say that conciliation was "inadequate" because no settlement resulted with such-and-such a date? The answer is no. Such highly charged emotional situations are not susceptible to inflexible, objective evaluations of this sort. Furthermore, it is doubtful whether conciliation was the proper medium of settlement in this case at all. Where an obvious determination not to compromise is evident, there is considerable and reasonable doubt concerning the sense of using a method which frankly presupposes some degree of co-operation between the parties for its success. A highly specialized tool or machine is designed to be used for a specific purpose and under certain conditions. It is not expected to be used for something else. Of course, in the very mechanics of conciliation there always exists the possibility that one of the parties, suddenly, will be willing to bargain. It would seem that it was this possibility that dictated the continued use of conciliation long after it had initially broken down.

Inasmuch as the method had its defects, to what extent were the men who handled it responsible for its breakdown? It is difficult to pass judgment here. Because the negotiating minutes are not available, it is impossible to determine

the suitability of the conciliation proposals or the degree of skill with which they were submitted to the parties. But one fact is very clear. The Conciliation Services did make earnest and sustained efforts to bring about a settlement as soon as possible.

In rebuttal of the statement of the Monthly Labor Review²⁹ that the California oil strike had "tapered off" without much effective conciliation effort, Mr. Paul Scharrenberg said that the State Conciliation Service had played a highly important role in the settlement of the strike. The State Service, he pointed out, had arranged more than a hundred separate conferences during the four-month period in which the strike issues had been under discussion. It is obvious, of course, that the Services were both active and sincere. That, however, is not in question. The debatable point is whether these activities really were determinative in bringing about the final settlements.

A careful weighing of the facts seems to indicate that the agreements ending the strike were concluded with but little help or reliance on conciliation efforts. In a more normal type of labor dispute where a strike may last for several days, or even for several weeks, but not for months, the conciliation mechanism may discharge a vital function. By interpreting and redefining the issue into a form in which it is more acceptable for consideration to both parties, the process may bring about not only a speedier settlement but one that ultimately may be more enduring as well. But

29. Monthly Labor Review, December, 1948, Vol. 67, No. 6, U.S. Dept. of Labor, p. 629.

this was not the sort of approach the oil strike demanded. Each of the parties was aware of what points were in dispute and both subsequently recognized "violence" as an additional issue when it appeared on the scene. Consequently, the "orientation" aspect of conciliation here was practically nil as the crux of the situation lay not in delineating the issues but rather in dealing with the fundamental principles which led each of the parties to act as it did. Unless some change could be effected in the attitudes of the contestants, it was more likely that the deadlock would be broken by an external force than by conciliation.

This is essentially what happened. The strike ended when it did primarily because time and economic attrition brought it to a close. The locals gave up the fight because they could no longer withstand the hardship wrought by the strike and, also, because the companies were managing to "get along" fairly well without the services of the still striking union members. Also important was the bitter realization that the likelihood of achieving a settlement even approximating the sort initially demanded was too remote to be considered a possibility any longer. Accordingly, the principal factors ultimately responsible for the capitulation were: hardship, exhaustion and resignation to inescapable defeat. They, and not, conciliation wrote finis to the strike.

However, in fairness to the conciliation agencies, it should be emphasized that psychologically and physically a

great part of the negotiation activities could not effectively be controlled by them. The real loci of the negotiations were not so much the various conciliation conference rooms as the respective OWIU and Standard Oil "power centers" of Mr. Knight's suite in the Clark Hotel in Los Angeles and Mr. Roberts' office at 225 Bush Street in San Francisco. Although there was considerable activity elsewhere, in reality, both the locals and the other companies to a very great extent literally "waited upon" the developments emanating from these two "headquarters."

This does not imply that the hundred-odd conferences arranged by the conciliation officials did not, one by one, contribute "something" towards the ultimate settlements. But, certainly, they were not determinative. Actually, the agreements which were reached in November and January after one and/or both of the parties were willing to settle could have been consummated with or without the offices of any conciliation service. All that was needed at any time was a fairly "open mind" and the desire to be willing to agree to reasonable compromise terms.

Chapter IV.

Legal Action

The law abhors violence as a challenge to its authority; it prefers precedent and the status quo to revolutionary change; by temperament it is the instinctive guardian of property rights. Consequently, it is not surprising, considering the basic implications of the strike as a demonstration of actual or implied force, that the law either subconsciously or deliberately takes an antagonistic stand against it. The injunctions, police action, damage suits and contempt charges of the oil strike illustrate what can happen when either the action of militant labor aggravates the existing friction, or when labor's opponents succeed in identifying their cause with that of the law's own preservation and security.

The Injunctions

The first injunction issued in the oil strike was granted on September seventh by Contra Costa County Superior Judge Harold Jacoby of Martinez who handed down a restraining order limiting picketing at the local Shell Oil refinery. Only four pickets to each gate were permitted; all other strikers were required to remain at least 200 yards distant from Company property.

These restrictions were to become standard features of practically all subsequent injunctions. They reappeared, for example, later that week in similar injunctions obtained by Standard Oil for its El Segundo and Redwood City plants and by Union Oil for its Emeryville establishment.

However, a new note was added to the injunction proceedings when the NLRB nettered the legal arena. On October third the Board, on the basis of the so-called "anti-secondary boycott" caluse of the Taft-Hartley Act, filed a petition requesting that Local No. 326 at Rodeo be restrained from obstructing the movement of railroad cars in entering or leaving the Union Oil plant at Oleum. This injunction, initially granted by Superior Judge Hugh Donovan of Martinez, was upheld and made permanent by Federal Judge George B. Harris who found evidence of the alleged secondary boycott.

While these injunction proceedings were taking place in the Northern sector of the strike area, similar petitions

were being brought into the Los Angeles Superior Court. There Judge Clarence M. Hanson granted injunctions in favor of both the Union and Richfield Oil Companies. The Union Oil injunction carried with it the possibility of a \$500 fine and five days in jail as the penalty for its infraction. Altogether, throughout the state, twenty-one injunctions were granted to the companies.

The OWIU commented on the manner in which these injunctions and the citations for their violation were instituted as follows:

"In addition to naming all union officers, they named thousands of 'Does.'

"One suit named 'Does 1 to 2,000, inclusive,' the 'Does' being unidentified union members. Such citations were printed en masse and passed out like handbills on picket lines by process servers. Cameramen stood by to take pictures of the pickets as the citations were thrust into their hands, thus establishing identity and proof of service.

Particularly bizarre in Hollywoodism was the naming of 'Doe Associations 1 to 20,' to include any unions which might be assisting the oil workers. Some of these injunctions named 'Doe Associations A to X,' but undoubtedly the high point in the fantastic was reached in the injunction which named 'Doe Associations Green, Blue, Yellow, Red, ect.'¹

In contrast to such extensive and successful injunction activity on the companies' part in both the State and Federal courts, the union sought to avail itself of the possible benefits of an injunction on only two occasions.

1. A Union Busting Plan - Oil Trust Style, OWIU-CIO, p. 5, presented on November 23, 1948 to the Tenth Constitutional Convention of the CIO at Portland, Oregon.

The first of these actions was filed in Oleum on October third. At that time two striking Union Oil employees obtained a temporary restraining order from Superior Judge Homer Patterson of Contra Costa County to prevent their eviction from Company-owned dormitory quarters. This injunction, however, was vacated on October thirteenth. On that date the the Company, which had given these tenants three days notice to move, again attempted to carry out the eviction. Once more the matter was taken to court, some thirty-five strikers now being involved in the action.

At this hearing Federal Judge Harris, who had previously granted an injunction against the Oleum pickets at the Union Oil plant there, temporarily saved the strikers from eviction by ordering the Company to appear for a hearing ten days later to show cause why the strikers' injunction should not be made permanent. Because of various continuances, however, the matter was not settled until November ninth when Federal Judge Michael Roche ruled that the Union Oil Company had been within its rights in ordering the eviction. His decision held that employment with the Company was a "condition precedent" to being given the accommodations and that the right to such housing had been forfeited upon the refusal to work.

The other union action was a petition filed with the NLRB by Local No. 326 of Rodeo requesting that the Union Oil Company be restrained from continuing its "unfair labor practices." It was ultimately withdrawn by the union in accordance with the terms of the January settlement.

Police Action

The role played by both the local and the state police should not be underestimated. Of all the legal influences, it was the most constant and direct in its effect.

In the beginning, friction was at a minimum, but the emotional nature of the relationship between the strikers and the police changed rapidly. As early as September eleventh the police began, as at Standard Oil's Redwood City storage plant, to escort tank trucks in and out of the struck establishments. This "convoy" system later became quite elaborate, involving, for example, as many as forty-five motorcycle policemen and numerous private, company-paid guards as well. Naturally, the first signs of such police activity aroused the strikers. They were also antagonized by the fact that the State Highway Patrols broke up the barricades erected in front of the Standard Oil plant at Richmond, barricades which not only prevented access to the plant but also blocked the State highway. This resentment against the police was crystallized in the events that took place in Richmond during the second week of the strike.

Principally, these events were the riots of September thirteenth and fifteenth. The second of these disturbances, after the AFL strike breakers had either slipped into the Standard Oil plant or left the scene, actually turned into a "battle" between the CIO pickets and the police. Repeat-

edly, steel-helmeted, gas-masked police fired gas shells and lobbed gas grenades into crowds of pickets only to be repulsed by showers of bricks, cobblestones and rocks.²

After the disturbances had been put down, the strikers were seething with indignation. This was directed not so much against the AFL "scabs," whose picket line infraction had precipitated the riot, or against the fact that there had been a police escort at all, as against the use of tear gas.

A committee of strikers went to Mayor Robert Miller of Richmond to protest the police action. In replying to their complaints, the Mayor said: "You are striking for more wages. You won't get them through violence."³ This remark was greeted with shouts of: "Who used tear gas? What about your trigger-happy cops?"⁴ Finally, when the Mayor agreed to calling a special session of the Richmond City Council so that the strikers could air their grievances more fully, his listeners taunted: "Shall we come with gas masks? Should we wear steel helmets?"⁵

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2. A police version of the "provocation and retaliation" arising out of this melee is found in a notation written by Police Inspector Williard T. Smith of Richmond on the back of a San Francisco Chronicle "morgue" photograph which reads: "Pickets hiding behind trucks at right abandoned during street battle threw rocks at police who responded with gas bombs."
 3. San Francisco Chronicle, September 15, 1948, p. 1.
 4. Ibid.
 5. Ibid.

The meeting that night was a boisterous one. The union audience staged its liveliest demonstration when an OWIU member, Mr. James Kennedy, rebuked the City administration in the following terms:

"Yesterday, I thought the Richmond Police Department was doing a good job, that it was neutral in this dispute. Today, I am ashamed of the Richmond Police Department. When property rights come before civil rights, this is not the country I fought for." 6

Meanwhile, violence continued. The cars of police and non-strikers alike were stoned and overturned. Also, Standard Oil reported that at Richmond the main power line switch had been pulled and the main pipe-line closed as well. This led Contra Costa County District Attorney Francis Collins to point out that such sabotage involved "a serious public safety question" and constituted a felony punishable by five years imprisonment.⁷

Martinez was the origin of a different kind of complaint. There pickets protested to the City Council that unduly large numbers of city police were not only patrolling the two refineries but were acting as tank truck escorts as well. The Mayor of Martinez thereupon appointed a committee of five city officials to hear such protests and to act as liaison between the strikers and the police. However, the police guard was not reduced as the strikers had hoped but was augmented when Acting-Governor Goodwin J. Knight ordered twenty-

6. San Francisco Chronicle, September 15, 1948, p. 1.

7. Ibid., September 24, 1948, p. 1.

four additional state highway patrolmen assigned to duty in Contra Costa County with the mission of keeping "the highways open and maintaining peace."⁸ According to one news report, the acting governor had issued this order because he felt that the local authorities had "failed in their duty" in their handling of the mass picketing and the attacks on non-strikers.⁹

By October tenth there had been forty-four arrests in Contra Costa County alone, a situation which led Mr. O. A. Knight to send the following telegram to all OWIU locals:

"In view of the numerous citations for contempt of court growing out of alleged violations of restraining orders, I believe it necessary to repeat the oral instructions and advice I have previously and repeatedly given to the effect that all picketing be peaceful and in compliance with the instructions of the courts.

We will, of course, defend our constitutional and legal rights with respect to these orders and laws; however, while such orders are in effect, all striking employees have the duty as citizens and members of the union to abide by the restraining orders and to refrain from any acts that would provoke arguments or breaches of the peace."¹⁰

But arrests continued to increase. At the end of October the OWIU stated that: "After two months of striking 310 union oil workers have been arrested for picketing activities and are under criminal charges that can result in jail sentences

8. San Francisco Chronicle, October 2, 1948, p. 1.

9. Ibid.

10. Ibid., October 10, 1948, p. 9.

and onerous fines."¹¹ And the likelihood of additional fines was increased when, in Richmond, the police announced that "demonstrators" henceforth would not be arrested for "disturbing the peace" as they had been in the past but would be charged instead with "inciting to riot," a felony involving a fine of \$500 or five days in jail.

Damage Suits

Not only did the union have to cope with the effects of the injunctions and police activities as already described, but it had to contend with the harassing tactics pursued by the companies in their damage suits against the various locals.

The initiative in these suits was undertaken by the Union Oil Company on September tenth in Los Angeles when, in conjunction with an injunction petition, it demanded from Local No. 218 of Long Beach restitution for damages sustained in the amount of \$4,000,000. Shortly afterwards other companies such as Richfield and Shell filed similar suits. The Shell suits against Martinez Local No. 5 epitomized the companies' demands.

In that case Shell Oil demanded damages totaling approximately \$3,360,000, claiming \$840,000 as general damages while \$2,520,000 was sought as "exemplary damages." In ad-

11. A Union Busting Plan . . ., op. cit., p. 4.

dition, the Company asked for \$35,000 per day for every day its plant remained inoperative after the hearing set for October eighteenth. This per diem figure of \$35,000, said the Company, represented a "conservative estimate" of refinery and marketing losses suffered daily by the firm as the result of the Contra Costa strike activities.¹²

By October thirtieth, the OWIU found itself involved in a series of damage suits whose claims totaled in excess of an estimated \$28,000,000. Even this sum represented only a portion of the potential over-all amount since many of the companies had sued for unspecified amounts. Furthermore, as the union pointed out, the grand total might be swelled by \$360,000 in per diem penalties that were presumably accruing every day that the strike continued.^{13, 14}

Therefore, solely on the basis of the possible financial loss, the union had reason to be alarmed over these damage suits. Even though it was likely that the awards, if granted, would be scaled down considerably from the amounts demanded, nevertheless the total could be formidable. Such a loss might readily "break" the union as far as its California operations were concerned, or, at least, seriously impair its activities.

12. San Francisco News, October 9, 1948, p. 4.

13. A Union Busting Plan . . ., op cit., p. 5.

14. The manner in which this particular \$360,000 figure was calculated is not explained in the union text.

The union, however, was spared this particular humiliation because the final settlements called for the withdrawal of all such damage suits. But, these settlements in no way recompensed the OWIU or its locals for the anxiety and expense they had suffered as a result of the suits.

Contempt Charges

However, these multi-million dollar damage suits were not the prime source of financial drain on the union. Instead, the greatest losses arose in connection with the contempt charges and fines resulting from "violations" of the numerous restraining orders.

The locals not only had to finance the initial defense and/or appeals wherever they were involved in such contempt cases, but also had to pay the fines of their officers so convicted. Inasmuch as the treasuries of the locals were either meager or exhausted at this point, the OWIU had to step in with financial assistance.

The "bill" was high. The CIO Labor Herald estimated¹⁵ that it cost \$5,000 merely to appeal one conviction. To this was added the burden of the fines, at times substantial items as illustrated by the \$500 penalty levied against the Secretary of Local No. 445 at Martinez. And to aggravate the situation, the union had no way of estimating the amount, date or number of such fines. In some cases the

15. January 11, 1949, p. 1.

contempt hearings were not held until March or later. Thus, the union found itself confronted with these levies months after the strike had "technically" been settled. And in view of the fact that the union was involved in a number of these cases and that stenographic, general court costs, et cetera, are known to be high, it is reasonable to assume that the sum total of these legal expenses represented a heavy financial burden to the union.

Taft-Hartley Act

Despite the fact that the OWIU has been vociferous in blaming the Taft-Hartley Act for its defeat, a study of the application of that law to the strike indicates it was much less determinative than the union alleges.

The so-called "secondary boycott," which is forbidden by Section 8 (b) (4) (A) and Section 303 (a) (1) of the act, might have been considerably restrictive if the OWIU had had the power to force employers or other unions not to handle

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16. The OWIU took an almost sadistic pleasure in calculating the possible maximum costs. In A Union Busting Plan - Oil Trust Style it stated, page 4, that: "After the Richfield injunction granted by Judge (Clarence M.) Hanson a few days later, the International Union, Long Beach Local 128, all of its officers and all International Representatives were cited in contempt cases totalling 1,380 counts. Under Judge Hanson's threat, these cases would cost the union and its members \$640,000 and 6,900 days in jail."

or transport petroleum from the struck plants.¹⁷ But, considering the policies and attitudes of both the AFL Teamsters and the Sailors Union of the Pacific, the two crucial unions connected with petroleum transportation, it is unlikely they would have gone out on a sympathy strike if they had been legally free to do so. The Teamsters even declined to exercise their legal option of refusing to enter struck plants as provided in Section 8 (b) (4) (D) (b). Therefore, it is reasonable to assume that even if the Taft-Hartley Act had not been in effect, nor had there been any other restrictions against sympathy strikes, the non-cooperation results would probably have been the same. The failure to get support from these two unions was one of the important factors underlying the strike's ultimate collapse. But, basically it was not due to the act.

Although, of course, the United States Supreme Court is the final authority on interpreting the Taft-Hartley Act, the NLRB has been handing down, from time to time, many highly important decisions relating to that law. One case that was decided too late to have much bearing on the oil strike but which is significant for its Taft-Hartley

17. Because of the interstate nature of the business of the "Big Six" the Taft-Hartley Act was applicable to the oil strike. It is interesting to note that the so-called California "Hot Cargo and Secondary Boycott Law" of 1942 had been declared void as "too vague and sweeping" by the State Supreme Court in 1947 and so was not in effect when the oil dispute began.

aspects is: In the Matter of International Longshoremen's and Warehousemen's Union, CIO, Local No. 6, Sonoma County Division, Petaluma Unit, CIO and Sunset Line and Twine Company.¹⁸ Here the NLRB, on the basis of the Taft-Hartley Act,¹⁸ considerably amplified the then existing rulings on mass picketing, intimidation and union liability. In denying the right of mass picketing the Board unanimously found that, under the law, a workingman has the right "to go to and from work without restraint or coercion while a strike is in progress."¹⁹

In this same case, in following Section 2 (13) and Section 301 (e) of the Taft-Hartley Act, the Board made a significant departure from its previous rulings that a union was liable only for specifically authorized acts of its agents. Now, the NLRB declared a union has general legal responsibility for what is done by its authorized representatives. Consequently, the OWIU could be held liable for damages to business and property inflicted in the course of unfair labor practices performed by its agents although it might not have specifically authorized such acts.

However, both before and after this decision was handed down, Section 303 (b) of the act was little used. And

18. NLRB, Case No. 20-CB-L, October 25, 1948.

19. Ibid.

it is a significant comment on the scope of the Taft-Hartley Act, in regard to unfair labor practices at least, that the companies brought four such suits into court, the union one and the NLRB one. The seventeen other injunctions, which were obtained primarily on the ground that violence was disturbing the public peace, et cetera, were local rather than Federal in origin. Nevertheless, they were extremely effective in permitting the companies considerable freedom of movement and actually had a far greater influence than the Taft-Hartley-obtained injunctions.

Yet, it is true, as the OWIU claims, that the act did contribute towards sustaining an atmosphere favorable to an extensive use of the injunction. But the act itself did not have a widespread, immediate effect on the strike's outcome. The so-called "National Emergency" proviso of Section 206 was not invoked. And, certainly, the act cannot be held responsible for the Teamsters' and the Sailors' hostility, the lack of support from other union groups and the defections of the OWIU strikers themselves. Consequently, although the Taft-Hartley Act was an important aspect of the over-all legal picture, it was by no means the determining factor the OWIU claims it was.

Effects of Legal Action

Admittedly, the foregoing summary does not record, in minutae, the myriad acts of violence nor all the arrests, arraignments, continuances and decisions that gre out of them. But it does serve to indicate the general tenor and scope of the legal action that took place during the strike.

Almost exclusively it was the companies who benefitted by going into court. And the chronicle of what happened here in the oil strike definitely tends to substantiate the view that: "Usually employers have an advantage in the use of legal machinery. . . . The injunction is placed at the disposal of the employer, almost upon request, although it is very seldom sought by the strikers or granted to them."²⁰ As has been noted, the companies moved with alacrity in obtaining injunctions whereas the union sought an injunction only twice, losing in both cases.

The companies' success in this regard was the source of considerable bitterness to the union. For example, the OWIU made the following criticism of the manner in which injunctions were allegedly granted:

"On Sept. 10, one week after the strike, Union Oil got a similar injunction from Judge Clarence M. Hanson in Los Angeles. There was no hearing. Neither the OWIU nor its locals were notified of the Company's action in seeking an injunction. The union read about these injunctions in the newspapers or found out about them when served on the picket lines." 21, 22

20. Hiller, op. cit., p. 190.

21. Union Busting . . ., op. cit., p. 3.

22. Actually, the element of no notice or hearing is not irregular or unusual as injunctions are divided into three general types, all of which appeared in the oil strike:

- (1) ad interim - temporary restraining order which ordinarily issues ex parte without notice or hearing.
- (2) pendente lite - temporary injunction issuing after notice and opportunity to be heard.
- (3) permanent - based on a full hearing and enforcing a final decision on the merits of the case.

Conscientious observance of the ordinary injunction prohibitions can mark the "beginning of the end" for a strike.

"A strike is doomed as soon as workers can be obtained in sufficient numbers to keep the closed plant in operation. Nothing so demoralizes the strikers' morale as the sight of 'scab and strike breaker' filling the posts they have abandoned." 23

An injunction can so debilitate a strike as to render it almost completely ineffectual. The oil strike illustrates what can happen in this regard. At almost all the installations the injunctions were obeyed. In many cases the picket lines were as airtight as coarse mesh sieves.²⁴ In general, this meant that strike breakers were able to enter the plants (despite the fact they were subjected to a certain amount of "unpleasantness") while materials, supplies and provisions for the non-striking operating crews were sent in, and petroleum trucked or freighted out. Therefore, these injunctions practically stripped the union of its most powerful weapon, the ability to inflict serious economic loss on the companies. Inasmuch as the union had planned to rely heavily on this particular weapon, its confiscation by the law was a grievous blow.

The granting of even an ad interim injunction is significant for a variety of reasons. In a dispute which can

23. Hiller, op. cit., p. 146.

24. A Standard Oil spokesman said that at Moss Landing, the union seeing that picketing within the terms of the local injunction was absolutely futile, withdrew all its pickets.

be won or lost within a very short time, it can be the deciding factor. Furthermore, as in the oil strike, it can be an indication of the decisions that will probably be forthcoming if the matter is appealed. As Mr. Justice Frankfurter has pointed out:

"Whatever the reason, it is undeniably the fact that the preliminary injunction in the main determines and terminates the controversy in court. The tentative truth results in making the ultimate truth irrelevant." 25

More specifically, an injunction, regardless of the particular form in which it may be written, has certain immediate, concrete effects. It has been stated that an injunction "invariably forbids the workers to do the things which are essential to the successful conduct of strikes, even though the forbidden acts may be lawful in themselves." 26

The fact that an injunction can have such prejudicial and devastating effects on a strike has frequently brought forth vigorous protests from labor. This has been true not merely in reference to the oil strike under discussion but in regard to innumerable labor disputes that have preceded it with the result that:

"Controversy over its (the injunction's) exercise has long overshadowed in bitterness the question of the relative substantive rights of the parties. In the administration of justice between the

25. Felix Frankfurter and Nathan Greene, The Labor Injunction, (New York: MacMillan Company, 1930), p. 80.

26. Hiller, pp. cit., p. 190.

employer and the employee, it has been the central lever. Organized labor views all law with resentment because of the injunction, and the hostility which it has engendered has created a political problem of proportions." 27

Of course, the injunctions would have been ineffective without the implementation and support of police activity. If the sympathies of the police authorities in general had been other than what they were, or, stated differently, if the duty of the police and the cause of the union had been identical, the outcome of the strike might have been entirely different. But the possibility of such an outcome was precluded both by the fact the police resented violence being directed against them as a group and that their duty was to protect the public welfare by preserving "law and order" and "freedom of commerce." The discharge of these responsibilities had a significant bearing on the strike because of its concomitant effect of contributing to the defeat of the strike through supporting the companies.

That this was the law's attitude does not imply, however, that the law in the person of its officials was guilty of overt malfeasance. It merely reiterates the axiom that the law is more inclined towards self-preservation than suicide. And the most significant factor in this respect was that the position of the companies inherently and in no

27. Frankfurter and Greene, op. cit., pp. 52-53.

way, in the opinion of the law, threatened the law's security whereas the conduct of the union did.

And while the union was thus antagonizing the law, it was attempting to sustain a major court campaign for which it was woefully unprepared. The companies had highly competent legal staffs that patently were in a position to exploit every resource the courts afforded. On the other hand, the union initially had a "staff" of one-full-time lawyer, and despite the fact this number was increased to eight the effect of the original unpreparedness was hardly eradicated.

Ordinarily, such legal ineptitude might not have been so important. But considering the caliber of the union's opposition in the oil strike, this could not be the case. The particular circumstances of the strike placed a premium on the need for an astute legal defense, or, at least, on the desirability of a publicity-wise exploitation of the one-sidedness of the legal struggle. Under this handicap, and confronted from the very outset by the fact that neither the law nor those responsible for discharging it were "sympathetic" to the union's cause, it is not surprising that the union made such a miserable showing in the legal aspects of its strike activities.

Chapter V.

Inter-Union Relations

Union organization in the California petroleum industry is both heterogeneous and severely competitive in nature. Out of a total working force of 150,000 oil workers, the OWIU and the IUPW claim 32,000 and 10,000 workers, respectively, as members. Approximately 18,000 oilmen belong to a variety¹ of independent union units. The remainder of the labor force, comprising 90,000 men or 60 percent of the total, is unorganized, which means that three out of five oil workers are not members of a union. This would suggest, quite naturally, that there is ample lebensraum for growth and expansion without the need to resort to costly inter-union disputes. But, "raiding" and other such competitive tactics have been distinctive features of the unionization process of this industry.

1. These figures represent the averages of estimates made by various locals and the State Conciliation Service.

The OWIU's roots extend back to the International Association of Oil Field, Gas Well and Refinery Workers of 1918. This International was one of the eight "charter" members of the Committee for Industrial Organization. After the CIO was established in 1938, it became known as the Oil Workers International Union-CIO, which was divided into seven geographical districts, the Pacific Coast States comprising District No. 1.

As far as its Standard Oil-Richmond operations were concerned, the OWIU had only a handful of members in 1938, but during the Defense and early War period of 1940-1944 its membership increased steadily. In 1945 it was certified by the NLRB as the workers' bargaining agent and this position of leadership was confirmed by a victory in an election held the following year.² From that point on, until the strike, the OWIU was the strongest, although not the controlling, union group in Richmond.

In contrast to the OWIU's relatively recent arrival on the Richmond scene, AFL organization began more than forty years ago shortly after completion of the refinery

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2. In view of the developments hinging on subsequent elections, it is noteworthy that the results of this April 29, 1946 NLRB election were:

Rank	Union	Votes
1	OWIU-CIO	1,093
2	IUPW	464
3	AFL Operating Engineers	342
4	"For No Union"	108
	Challenged	26
	Void	27
		<u>2,080</u>

there in 1906. The first AFL unit was the Brotherhood of Boilermakers which had a membership of approximately fifty³ workers at the time.

While this unit was growing, other AFL groups were formed such as the:

United Brotherhood of Carpenters and Joiners of America, Local No. 642⁴ (72)

Masons and Plasters International Union of America, Bricklayers Union No. 8 of California (8)

International Brotherhood of Electrical Workers, Local No. 302

Cement, Lime and Gypsum Workers of America, Local No. 5

Sheet Metal Workers International Association, Local No. 216 (8)

United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada (240)

In addition to the OWIU's Local No. 561 and AFL units mentioned above, two other (unaffiliated) unions were also active in Richmond at the time of the strike. They were: the International Association of Machinists, which, as of December 24, 1947, claimed the support of between 1,300 and 1,400 men, and the IUPW, which had polled 464 votes in the 1946 election. And this union jigzaw was further com-

3. At the start of the 1948 strike, the International Brotherhood of Boilermakers, Iron Shipbuilders, Welders and Helpers of America represented 800 members.

4. Unit strength at the start of the strike.

plicated by the fact that members of the AFL Teamsters and the SUP handled production distribution for the Richmond distribution for the Richmond plant just as they did for Standard Oil's other installations.

On the basis of these facts, it is obvious that Richmond represented a multi-union situation in which a number of fairly strong units would probably be opposed to any action the OWIU might take on purely "political" or jurisdictional grounds unless they were able to derive commensurate benefits from that maneuver. Such opposition was a factor that had to be considered, especially since as has been mentioned, the OWIU was a strong but not dominant force in Richmond.

Resistance to the OWIU-called strike developed quickly and came first from the AFL craft units. The OWIU-CIO sought to persuade these AFL workers not to cross the OWIU picket lines but to respect the strike. However, the natural hostility of the AFL units for the CIO, their record of co-operation with Standard Oil, the fact the OWIU strike issues were not relevant to their own craft jobs and their dislike for the OWIU's tactics were all factors tending to encourage the AFL men to ignore the CIO pleas.

On September tenth a mass meetings of these AFL groups was held to consider a back-to-work proposal. At that session, Mr. Homer (Pat) Patton, an international representative of the Boilermakers' Union, stated the AFL policy as follows:

"We just want to be allowed to do our own work. We are recommending unanimously that we live up to our contracts with Standard Oil." 5

For three days the question of crossing the CIO picket lines was heatedly debated in both AFL membership and committee sessions. Finally, the die was cast. At 6 A.M. on September thirteenth a crowd of AFL "strike breakers," estimated to exceed 1,000 in number, gathered at the "assembly point," the Machinists' Hall in Richmond. Mr. Patton not only claimed that 1,500 men had appeared but that "almost all" of them had joined in the march on the plant.⁶ As a result of this episode, OWIU District Director J. Elro Brown announced that an effort would be made to persuade the AFL groups that "good unionists respect picket lines."⁷

This OWIU "protest" was made despite the fact that, ostensibly, the AFL men had specific instructions regarding the type of labor they were to undertake once inside the plant. As one newspaper reported:

"Patton said the men were warned to perform only their work and understood they were not strike-breaking but merely living up to the terms of their separate contracts with the Company. The Company had demanded compliance with these terms . . ." 8

5. San Francisco Chronicle, September 11, 1948, p. 1.

6. Ibid., September 13, 1948, p. 1.

7. Ibid.,

8. Ibid., September 14, 1948, p. 1.

In response to this AFL action, the OWIU local announced it would undertake "mass picketing" and an AFL spokesman retorted: "We are going to continue crossing picket lines until all our men are working."⁹ By September sixteenth, when a truce was arranged between the AFL units and the OWIU, the AFL had already struck a serious blow against the strike. The AFL workers who go into the plant by that date were to continue to work and to live within the refinery for the duration of the strike. They were of inestimable help in enabling Standard Oil to win the "battle of production."

Less obvious, but far more important, was the anti-strike behaviour of the AFL Teamsters. Because of the violence at Richmond, and the fact that it was not necessary to pick up cargoes at this "hot spot," the Teamsters respected the picket lines there to a large extent. But, despite the fact that the Teamsters, depending upon the individual temperament of the driver involved, occasionally refused to cross the lines,¹⁰ as was the case at Montecappo, the great majority of them continued to haul gasoline as usual, with or without police escorts. Nevada and other Western states were not deprived of service station distribution as had been predicted at the outset of the strike. Neither were supplies disrupted, ex-

9. San Francisco Chronicle, September 14, 1948, p. 1.

10. This was a storage and distribution plant located East of Los Angeles which received gas pumped via a thirty mile pipe-line from Standard Oil's El Segundo refinery.

cept in a few instances and localities, even in the very strike centers themselves.¹¹ As early as September twenty-sixth, Mr. Charles Real, secretary-treasurer of the East Bay Local No. 70 of the AFL Teamsters declared:

"We are making deliveries on schedule and are not being disturbed in any way. We don't expect any trouble."¹²

A partial explanation of the Teamsters' attitude is that, as a matter of policy, the union is not sympathetic towards strikes which affect business or the public in an obvious, appreciable manner. Instead, the Teamsters prefer to accomplish similar ends by exerting their "influence" in a less obtuse manner. Furthermore, the leaders of that union probably felt that, as they were really on the periphery of the oil strike, vital Teamster interests were not at stake. And the natural disinclination of the Teamsters to co-operate with the OWIU was reinforced by that fact the Taft-Hartley Act forbids "sympathy" strikes.¹³

In summing-up, then, the significance of the Teamsters' policies it can be said that their attitude was one of the major factors determining the failure of the strike. No

11. The "logistics" of this distribution are discussed in Chapter VIII, "Effects of the Strike."

12. San Francisco Chronicle, September 25, 1948, p. 4.

13. If it so desires, a local can circumvent this restriction to a considerable extent by relying on Section 8 (b) (4) (D) (b) of the act.

matter how much the companies had managed to produce, if they had been unable to distribute that production, or gas imported from out of state, then, the OWIU might have been able to win its strike. Because of the nature of the California terrain, distribution of petroleum by means other than trucking would have been both extremely difficult and inadequate. But the trucks continued to roll. In effect, the Teamsters turned the OWIU picketing into a phantom
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blockade.

From the IUPW the OWIU got some co-operation, but co-operation which was mostly opportunistic in that it was forthcoming only when it helped to promote the IUPW's own objectives.

At no time during the OWIU campaign was the IUPW "on strike;" it was merely "out." Legally, and practically, this distinction had highly significant implications. The situation came about in this manner: At the start of the strike IUPW members did not return to work. Even though they had passed no resolution stating they were on strike, their officials began negotiating with Standard Oil for a "new" contract. As soon as violence broke out,

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14. A driver of Local No. 6 of the Teamsters gave the following account of the "policy" of that union: "We were told we wouldn't have to cross the picket lines if we didn't want to, but there'd be no work for anyone who didn't - they could stand by until the strike was over. So what was I going to do? Get no pay for a month or more because those oil guys were on strike? Well, I screened the windshield and windows of my cab and went on in."

IUPW members found themselves unable to cross the picket lines without risking serious injury. Consequently, Standard Oil could not charge them with failure to live up to their contract as they could cite "supervening impossibility" as an excuse. Also, the Company could not accuse them of engaging in a "sympathy" strike to support the OWIU. However, by thus respecting the picket lines, the IUPW was actually supporting the OWIU, but it was doing so in order to bring additional pressure on the Company and to achieve its own ends. The IUPW was very much interested in exploiting to the fullest the strenuous and costly strike effort the OWIU was making.

In part, the IUPW was able to do this because its members were not out on strike and could, accordingly, collect unemployment insurance by stating that intimidation and coercion prevented them from having access to their jobs. Although the compensation received amounted to much less than their regular pay, nevertheless it helped the IUPW men to "ride out" the strike. In contrast to this favorable situation for IUPW members, the OWIU men were not eligible for unemployment benefits because they were out on strike.

By thus "making use" of the OWIU's strike, the IUPW was able to obtain, on September twenty-third in the South and on October twentieth in Richmond, the same terms which the OWIU received when the strike finally ended. It would

have been impossible for the IUPW, because of its limited membership and finances, ever to have staged a strike comparable to that of the OWIU. And if the OWIU had intended to weaken rival unions, and especially the IUPW, by "pulling off" a successful strike which would act as a magnet in attracting non-union members into the OWIU and enhance the OWIU's power and prestige so that the other unions would be in a distinctly inferior position, the plan back-fired. Actually, as far as the IUPW is concerned, the results of the strike were diametrically the opposite to what the OWIU probably had in mind.¹⁵

As soon as the "bombshell" of the NLRB election burst on the scene, the IUPW was certain the OWIU had lost its strike at Richmond and was eager "to take over." Fully three weeks before the scheduled election, Mr. Walter Willms, president of the IUPW, urged both Mr. Knight of the OWIU and Mr. W. M. Roberts, Labor Relations Director for Standard Oil, to suspend the strike pending outcome of the balloting.

He suggested, further, that the Company waive final action against individuals accused of strike violence until such time as "impartial hearings can determine the merits of the cases."¹⁶ This, maintained Mr. Willms, would

15. The growth of the IUPW as a result of the strike is discussed in Chapter VIII of this report.

16. San Francisco Chronicle, October 30, 1948, p. 6.

"expedite the NLRB election and an early decision at Richmond."¹⁷ He also urged removal of the OWIU picket lines and the return to work of the strikers on the ground that "if the IUPW wins the bargaining right at the November seventeenth and eighteenth election, the resources of this organization are pledged to securing justice for the strikers according to the merits of their individual cases before the appropriate governmental agencies."¹⁸ Harassing the OWIU in this manner was a tactic carried on by the IUPW throughout the strike and a source of considerable annoyance to that union. The "pay-off" came, however, when the IUPW actually won the NLRB election by receiving 1,011 votes to the OWIU's 752.

In addition to having "difficulties" with the Teamsters, and the strike breaking activities of the IAM and AFL groups in the early phases of the strike and then being subjected to a constant barrage of criticism from the IUPW, the OWIU also had a "brush" with the Sailors Union of the Pacific (SUP). Although most California tankers were manned by SUP seamen, some firms, like the Union Oil Company, employed National Maritime Union (CIO) men on their vessels. Because of past clashes between the SUP and the NMU, the AFL-SUP union is violently anti-CIO; consequently, when the OWIU strike began, SUP tankers sailed as usual.

17. San Francisco Chronicle, October 30, 1948, p. 6.

18. San Francisco News, October 29, 1948, p. 8.

On the eighteenth of September the Union Oil Company tanker "Lompack" tied up at Oleum; its CIO crew left the ship. At 4 A.M. on the twentieth, however, it sailed for the Northwest. As a result of this, Mr. Charles Abar, San Francisco Port Agent for the NMU-CIO charged that the Union Oil Company had violated its contract by "manning the ship with men other than those regularly employed."¹⁹ Meanwhile, in Los Angeles, four Union Oil tankers put to sea although their CIO crews had left the vessels. Mr. Harry Lundeborg, head of the SUP, denied that his organization had any connection with these activities.

On October twenty-sixth the SUP again entered the strike scene when a non-union member of an AFL manned tanker was kidnapped and severely beaten by unknown assailants. With much sabre-rattling and growling in the direction of the OWIU, Mr. Lundeborg threatened retaliation if the blame for the incident were fixed on the CIO. One newspaper carried the headline: "Sailors Threaten Revenge Against Oil Strike 'Goons'."²⁰ Nothing further developed, however.

All of the forementioned unions were hostile to the OWIU. What unions, then, supported the oil strikers? The answer is that, except for a few expressions of sympathy and some contributions, the only union really active in the

19. San Francisco Chronicle, September 20, 1948, p. 1.

20. Oakland Tribune, October 26, 1948, p. 1.

OWIU's support was Local No. 10 of the International Longshoremen's and Warehousemen's Union. This San Francisco local contributed "spectators" and "on-lookers" to several of the melees, especially to the "riot" of September thirteenth, that took place between OWIU men, strike breakers and the police. On one occasion it furnished the OWIU with sound truck equipment so that appeals could be broadcast to AFL men attempting to cross the picket lines. And, of course, there were several formal declarations of sympathy for the OWIU's cause.

However, it is debatable, from a "public relations standpoint" especially, whether this was the type of help the OWIU needed. The newspapers were quick to dramatize the ILWU's part in the strike violence. And inasmuch as the Waterfront Employers Association was at that time engaged in a campaign to prove to the public that the ILWU was "lousy with Communists," it was to the OWIU's advantage not to become identified with the ILWU.

This became obvious when the companies quickly undertook to exploit what they considered the implications of this ILWU intervention. Their denunciation temporarily diverted the attention of the public from the real elements of the strike by introducing factors not pertinent to the oil strike per se. For example, Mr. Reese Taylor, speaking for the industry said:

"Today's rioting at Richmond gave plentiful evidence that Bridges' union is now a leading factor in the dispute.

"At a mass meeting held Monday in Richmond, in which violence was freely promised, representatives of Bridges' union assured the oil workers they would be fully supported by the longshoremen.

All this leads us to the conclusion that Bridges is attempting to widen his control over strategic West Coast industries and there is no industry more important to both civilians and the military than the petroleum industry." 21

These charges brought a swift and explicit rebuttal from the OWIU. Mr. Knight stated:

"The International Longshoremen's Union was nor asked to participate in this strike; it came in uninvited." 22

A union spokesman amplified this OWIU attitude by saying:

" "This is strictly an oil workers' strike. You may have read in the papers that someone else is running this strike. That is not true. We are conducting our own strike." 23

When the over-all effect of these inter-union relations is considered, certain general conclusions are inescapable. The first is that the opposition of hostile unions helped greatly in bringing about the defeat of the strike. Secondly, such "friendly" support as did exist, as exemplified by the action of the ILWU and small, unimportant union groups, was either embarrassing, ineffectual, or both.

21. San Francisco Chronicle, September 15, 1948, p. 1.

22. Ibid., September 16, 1948, p. 12.

23. Ibid.

In other words, as far as the OWIU and its oil strike is concerned, inter-union relations were a source of far more grief than solace.

Chapter VI.

Union Responsibility

As far as its members are concerned, a union's responsibilities have frequently been defined as involving a maximization of "the wage bill," or the volume of employment,¹ or both, plus the attainment of certain "fringe" benefits. And though there is much truth in stating a union's aims or obligations in this fashion, they are narrow concepts in that they completely ignore the moral and ethical issues, as opposed to any financial or political factors, of whether "the ends justify the means." This is especially significant when there is but an "out" chance that the objectives in mind will be achieved. In this regard union officials ought to consider the limitations which democratic process, theoretically at least, places upon their discretionary powers.

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1. Considerable discussion of these aspects of unionism is found in: John T. Dunlop, Wage Determination Under Trade Unions, (New York: MacMillan Company, 1924), pp. 41-44, 118-121; Arthur M. Ross, Trade Union Wage Policy, (Berkeley: University of California Press, 1948), pp. 75-98.

In this respect, an analogy exists here between political government and trade union government. In general, the American system of government functions through acts performed by elected "representatives" on behalf of the people. Inter alia, this system is used for the reason that the Swiss canton type of democracy is a physical impossibility and that full-time representatives are presumably well qualified because of the skill that accrues as a result of their specialization. In part, a somewhat similar system is most commonly used in trade union government. And one of the most important parallels here is that just as representatives owe a "trust" to their constituents, so must union officials recognize that they occupy a similar fiduciary relationship in dealing with the rank and file of their membership.

When the execution of this principle is confined within such readily definable and commonly acknowledged boundaries as higher wages, better working conditions and more "fringe" benefits, the responsibilities of the union officials are clear. Few ethical problems are presented insofar as these aims are concerned, for there is a very definite mandate in regard to what the membership wants in principle. The real difficulty arises when union leadership is confronted with the problem: Should it create the pace for its membership to follow? Or, should it act only on express orders from the rank and file? And, if the leadership is permitted to act on its own initiative, to what extent is it justified in risking the security and welfare of the members?

These, of course, are perennial problems. And they are likely to continue as such until union officials broaden their concepts of ethical responsibility and accountability, as opposed to purely "political" obligations, or the rank and file becomes more cognizant of its own responsibilities. What can happen when neither group is fully conscious of its duties, or is unwilling to accept them, was made pathetically clear by the oil strike. To state the matter succinctly: Was the strike justified on strategic grounds? Was it really "approved" by the members of the locals? Was the union justified in not surrendering sooner?

One of the most important factors here is whether the OWIU was in a position where it could reasonably have expected that the companies would either individually or en masse resist when it came to a showdown rather than agree to union stipulated terms as they had always done in the past.² Particularly interesting in this respect is a statement made by one national CIO spokesman in regard to the Standard and Union Oil Companies: "Why, they were preparing for this thing for a long time. Two months before the strike Taylor told Knight he was going to see us busted."

The significance of these remarks lies not so much in the nature of this charge as in the fact that if this allegation is true, then, in effect, the union admits that it

2. It is not meant to imply that past agreements were exclusively one-sided in favor of the union and did not represent compromises.

had "notice" of what was impending. And the disregard of such notice makes the union all the more culpable and accountable for not having made adequate preparations for the strike. But, ironically, there is no evidence of the alleged preparation and "stock-piling."³

Many executives claim that the transformation of the strike from the status of a threat to that of a reality was a complete surprise and caught them totally unprepared. As an official of one company said: "Of course, we'd had trouble with them before. Negotiations frequently reached what was supposedly an impasse, but we always managed to reach an eleventh hour agreement. So when they actually did go out on strike and a telephone call came from the home office saying 'stay put,' we were just as surprised as anyone else that the strike had actually started." This account may be more "politic" than true and certainly it does not preclude the possibility of full knowledge and intent on the part of the highest echelons of executive authority.

But, as far as union responsibility is concerned, what really matters is that the likelihood of a strike should have been a reasonable and prepared-for contingency. In accordance with the terms of their contracts and per the Taft-Hartley Act, the various locals had notified their re-

3. Interviews with both executives and workers have failed to uncover any instances of such activity.

spective members' employers that their individual contracts would not be renewed automatically but would be brought up for collective bargaining discussion upon expiration. This notice was given on July second to allow for the legally required 60-day waiting period. The union claims that during the first forty-five days of this period the companies refused to discuss union proposed terms for the new contract and when they did meet with the union officials during the last two weeks immediately prior to the strike that they stubbornly persisted in refusing to consider any change from their $12\frac{1}{2}$ cents an hour position.⁴ According to the companies, however, it was Mr. Knight who was dictatorial. One executive stated that Mr. Knight had declared that the OWIU would go on strike if its terms were not met; that through a strike the union could exert sufficient power to get its demands fulfilled and that the petroleum industry had better realize the fact.⁵

If the alleged statements were made by Mr. Knight, it is quite possible nonetheless that they were intended primarily to impress "the other side" without the conviction it would be necessary to back them up. This possibility is supported by the comment of an East Bay local official

4. This statement is not correct; on the afternoon of September first the companies raised their bid from ten to $12\frac{1}{2}$ cents.

5. Although the correspondence in question was cited, it was not made available for quotation.

that: "About ten days before the strike came off, Knight and Kinstley had a talk about getting ready for it. I had been in Steel in the old days and told them they ought to whip things into shape. But they said, no, they didn't think so. And that's what happened."

Even though this account may not have been distorted by bias and may be an accurate description of what took place at that particular time, it does not preclude the fact that in the interim before the strike preparations may have been made. Certainly, one factor is clear. Regardless of what may or may not have been done in "mounting" the strike and laying the ground-work, the element of timing the demands was given more attention than the subject of whether a strike would actually take place.

Although the strike was not called merely because of the Labor Day week-end as has been suggested by a number of critics, nevertheless, the expiration of the "Big Six" contracts on the Friday before that holiday was both a fortuitous and propitious circumstance. If it were necessary to call a strike, that strike would begin on Friday with none of the men, except for maintenance workers, scheduled to return until Tuesday. In that interim, if proper pressure were brought to bear, a settlement could probably be effected without undue difficulty and at practically no cost to the union.

Such a strike is labelled a "quickie," one that applies "the screws" so effectively that the other party give in

promptly and the whole affair is "short and sweet." The union's actions, up to and immediately following the break in the negotiations, seem to indicate that it was relying on the expectation that events would follow this particular course.

For example, one official of Local No. 561 at Richmond said: "Sure, that's what we were counting on. In all the years I've been in union work, I've never been in a strike that wasn't a 'quickie'." But no matter how common such an approach may be, it is not very prudent strategically speaking. Although it may pay off well when it is successful, at times it can be exceedingly disastrous. A strike that has started out as a "quickie" may develop, as did the oil strike, into a prolonged and bitter struggle that may wreck the union financially, bring intense suffering to its rank and file, and strip it of its bargaining rights.

But on the basis of past experience the OWIU had a not unreasonable expectation of achieving a fairly immediate settlement. The last major strike had occurred in 1923. Disagreements since that time, although preceded by long periods of wrangling, had never resulted in a long strike. Last minute settlements had always taken place. In 1947 the union had threatened a strike and all of the "Big Six" except Union Oil had agreed to a compromise. Work had stopped in the Union Oil plants. As soon as the Company saw it was alone in its refusal to settle with the union, it gave in and the three-day dispute was over. And although, at times,

these settlements may have been compromises in the sense that the union customarily got somewhat less than it had demanded, nevertheless they represented "victories" over the managements involved. Such, in part, was the psychological background of the strike.

Under these circumstances it is questionable whether the majority of the rank and file of the locals ever really expected a strike to be called. There is also considerable, mostly within management circles, over whether union members had an "on-the-floor" opportunity to ratify the strike decision.

The events surrounding the so-called strike vote are not clear. On previous occasions when a new contract was in the process of negotiation it had been the custom of the union members to vote their Negotiations Committee the authority to call a strike if they thought it necessary. Such a practice, actually, is tantamount to a power of attorney and has all the defects and disadvantages common to such an authorization. Usually, this power was conferred on the Committee simultaneously with, or just prior to, the Committee's notifying the company that the union intended to reopen negotiations on the expiration of the current contract. Since the "cooling-off" period required a minimum sixty days the union members might cast such a vote a full two months before a strike actually broke out. Accordingly, some of the companies have raised the question of whether a "vote of confidence" in July actually constituted authority for a strike to be

called in September and whether the members ever really believed that their "blank checks" would be cashed.

Conceivably, a strike call authorization may have been informally approved at the very beginning of the notice period. However, such evidence as is available seems to indicate that the earliest ballot on this subject was probably the election held at the combined headquarters of Locals No. 5 and 445 at Martinez on July thirtieth, August first and second.

In such a case, where a decision regarding the strike call issue was cast a month or so before the strike actually took place, the companies have implied that the members, because they acted so far in advance, did not realize the gravity of conferring such a power of attorney and if they had, would never have done so. But it is unreasonable to assume that a union member does not have some conception of what he is doing when he casts such a vote, at least to the effect that he is binding himself to follow the decisions of those men he is authorizing to act for him. Very definitely he has a certain degree of responsibility here which is quite independent of any mental reservations he may have about whether that authorization will be exercised. Consequently, the companies' implication that, because of the passage of time following the casting of these ballots, the responsibility and culpability for the ill-effects resulting from such elections shift to the union leaders alone is not tenable.

This attitude, however, may stem from the fact that the companies feel the ballot results did not represent a majority

of the members present and thus were not true reflections of the workers' opinions. The locals have vigorously denied this, pointing out that under their constitutional procedure it would be impossible for any so-called "hand-picked" group to "rig" such an election. They cite the following section of the "Constitution and By-Laws of the Oil Workers International Union-CIO, 1948-1949:

"ARTICLE XII

"Strikes

"Sec. 1. In the event of a disagreement between a local union or local unions and their employers upon any matter which in the opinion of the local or locals may result in a strike, such local or locals shall call a meeting of said local or locals of which every member affected shall be regularly notified, to take action thereon . . .

"Sec. 2. Should three-fourths of the affected members voting decide on a strike, by secret ballot, the president of the Local Union or presidents of Local Unions, shall in conjunction notify the International President of the cause of the matter in dispute . . ." 6

The locals maintain these Sections are interpreted in a "three-fourths of the membership" sense. However, Section 2, supra, reads "three-fourths of the affected members voting" and there may be an opportunity for manipulation which would not exist if a vote of "three-fourths of the total number of members were called. for. Depending on what persons were or were not considered "affected," it is possible that the ballot results could represent the decision of 75 percent of those present rather than of the entire membership. But to prove

that this was not the case, Local No. 445 stated that over 90 percent of its entire membership voted for the strike and as far as it knew no one in any of the locals had come forward with a charge that the elections were "rigged." However, while such a high percentage of favorable votes may indicate that a large majority of the workers were willing to support a strike, it does not by collary imply that an equal number were fully cognizant of the personal jeopardy to which they were thus subjecting themselves.

The question still remains, therefore, whether the leaders of a union should not attempt to dissuade the rank and file from following a course detrimental to their best interests. As an ethical abstraction they should; as a candid practicality such an attitude is virtually impossible. For one thing, it involves being able to determine exactly what course of action is a risk and to what degree it is risky. At times a 1,000-1 chance turns out to be highly successful and is then regarded a brilliantly executed "strategy." Conversely, if it fails, the union officials are charged with both irresponsibility and stupidity. But if only carefully calculated risks were undertaken, the labor movement would not continue to expand, nor would it have reached its present size under such a policy. Like those of a nation, a union's policies have to be "sold" to its membership and a certain amount of "optimism" is necessary if the program is to be carried out. It cannot be held subject to all the vitiating effects of the doubts, hesitations and acts of ratification of each individual members at each step in its evolution.

Such a view, however, has frequently been demurred to on the ground that it is "too harsh." But is it unreasonable to demand of a commander that he be well acquainted with the strength of his enemy as well as that of his own troops? Should lack of knowledge "explain away" inadequate preparations for a strike? Is not the very fact of leadership predicated on the basis of superior knowledge or ingenuity as contrasted to the abilities of the rank and file? Therefore, if leadership fails in its function, because of its own inadequacies or while pursuing aims of a personal nature contra to the true interests of its members, should not be held "responsible?"

But as a candid, realistic matter this element of responsibility becomes lost in the general miasma of failure. And the rank and file are either oblivious or indifferent to the subject. As an "issue," moral responsibility can only be as strong as they care to make it.

Chapter VII.

Why the Strike "Failed"

Of the variety of reasons which have been advanced to explain why the strike was a "failure," those that merit special attention are the particular factors which the parties themselves consider to have been determinative.^{1, 2}

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1. Other factors not specifically mentioned by either side, such as the effects of unequal bargaining power and a "weak" cause, will also be discussed.
 2. The extent to which the strike may or may not be considered a "failure" will be considered in the next Chapter.

The causes most commonly listed by the local union officials in their informal "post-mortems" on the strike were:

1. Return of their own members to work
2. "Fear" of the company
3. Economic hardship
4. Lack of "education"
5. Poor OWIU leadership
6. Inadequate financing
7. Hostile press

It should be noted, however, that although these factors are presented in the order of their frequency, not every point mentioned applies with equal force to each individual local. And, furthermore, some of these factors are by no means as separate and distinct as such a listing implies but, in reality, were considerably intermixed.

Despite the fact that they have steadfastly refused to release any figures on the subject, the locals, in general, have candidly admitted that their members' returning to work was the primary cause of the strike's failure. This admission does much to explain the success of the various companies in continuing production. However, the "back-to-work" movement varied in intensity. At Oleum and Martinez it was considerably restricted. At Richmond, however, it was stronger and in Wilmington, especially in the last phases of the strike, the movement was both extensive and continual. The significant factor is that, although it grew slowly, its

effects were cumulative. Individuals, or small groups, once inside the plants helped keep production going, which encouraged further union defections, debilitated striker morale and proportionately diminished the chances of union success.³

An interesting feature of this discussion is that a number of local officials have spoken of this movement in fairly matter-of-fact or dispassionate terms. They do not "blame" the strikers but, instead, explain that their actions were dictated by "fear" and economic hardship.

In the strike context the word "fear" had several meanings, but primarily it meant the likelihood of company retaliation either by discharge or demotion. As the strike progressed with the companies apparently able to continue production, more and more strikers were struck by the fear that their jobs had vanished for good, or, at best that they would end up in an inferior position to that of some striker breaker who had had sufficient sense to go back "before it was too late." Because they were living on the union's soup kitchens and were harassed by debt, many workers were willing to return to their jobs after the strike had been in progress a few weeks.

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3. Because many of the plants were located along the highways from where the steam exhaust from the various refining units was visible, the pickets gathered along the roads could tell what units were in operation. Such obvious evidences of production tended to support the companies' claims and discredit the locals' denials. Naturally, this had a serious effect on morale.

Despite the strike, the great majority of oil workers did not ever seriously consider leaving the petroleum industry. The inclination to stay on was usually the result of contrasting their wages with those paid in other local plants. The men at Rodeo, for example, cited both the Hercules powder plant at Hercules and the California and Hawaiian Sugar Company refinery at Crockett as yardsticks.⁴ They felt that oil wages were not only higher in these two instances but were superior generally. As one Oleum striker remarked: "I wanted to chuck the whole thing. But you can't get around it - they do pay the best wages." Naturally, this was a strong point in helping the companies wear down the strike, especially as the feeling was widespread. That is why, in reference to Standard Oil, one local official made the bitter and commiserating remark: "They think it's the best damn place in the whole world to work."

The local officials that this worker attitude was one of the reasons underlying the strike's failure. Also, they that poor OWIU executive leadership was responsible as well. In particular they charge that the OWIU leaders "didn't know what was going on" and cite as proof the lack of communication between the national officials directing the strike and the locals.

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4. It is interesting to note that some strikers said they had originally applied for work at the Union Oil plant but had been turned down because there were no vacancies at the time. However, they were put on a "waiting list" and worked at "C. & H." until they were informed they could be taken in at Oleum.

There were a number of reasons why the whole system of communications was poor. One of these was set forth in a Resolution" adopted by OWIU Local No. 5 at Martinez and mailed to every CIO union in California which frankly admitted that: "there has been a lack of unity within the CIO in California because of the political differences of opinion between the various CIO union which hampers maximum co-operation in support of any union under attack."⁵ In stressing this plea for unity, the secretary of Local No. 5 declared: "Everybody should have learned a lesson on what it means to be split up. For God's sake, let's get together!"⁶ And the Labor Herald, which reprinted the Martinez Resolution, summarized it by saying: "Never mind the political differences; let's get back to the CIO councils before the employers have smashed us all."⁷

Such CIO disunity did have an effect on the oil strike, even though it was not a primary influence. But it is obvious that the issues of Communism and "Wallace-ites" did create dissension. And the fact that personal or "grudge" battles were being waged by several CIO regional officers at the same time as a presidential campaign was taking place tended to aggravate the split to a greater extent than would have been the case under more normal circumstances.⁸

5. Labor Herald, November 23, 1948, p. 1.

6. Ibid.

7. Ibid.

8. A consideration of the Bridges-Flynn and "left-wing" versus "right-wing" controversy which split the California CIO at this time is not within the scope of this report.

But poor communication and lack of harmony on certain political issues were less significant, in the opinion of some of the locals, than the fact that the OWIU officials were psychologically "out of tune" with the local committees and the rank and file of the membership. For example, one local committee executive said: "I knew Knight when he was on the way up. He was a good guy then. But he's lost 'the common touch'." Another union leader expressed the conviction that: "They should have had someone with more strike experience than Knight - someone who knew what the whole thing was about."

Although such remarks may, to a large extent be based on "sour grapes" and personal animosity, they have been supported by CIO spokesmen of higher rank. President Philip Murray declared the strike was poorly conceived and had been ineptly handled by Mr. Knight. To climax his criticism, Mr. Murray stated he thought that the OWIU owed its members an apology for the manner in which the strike had been conducted.

However, Mr. Knight felt that the strike's failure was not his fault but was a result of the Taft-Hartley Act, which Mr. Murray himself had called "vicious and unfair," and in his own defense declared:

"For the past three months the OWIU has been, and is now engaged in a bitter strike, a strike which I contend would never have occurred had it not been for the passage of the Taft-Hartley Act, and for the atmosphere created by the Act, an atmosphere which

led the Oil Industry in California to make its most vicious attack upon our organization." 9

But no matter what the caliber of the leadership might have been otherwise, the strike would invariably have been handicapped by financial limitations. Despite the fact that some of the locals had reserves on hand at the start of the strike and that contributions were received during the dispute, the money available for conducting the strike was very small in relation to the per capita need.¹⁰ However, the locals did everything possible to help their members financially. They signed guaranties of rental payments whereby they would be surety for any arrears accumulated from the date of the strike's start through the last day of the month in which the strike would end. Soup kitchens were

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9. Daily Proceedings. Tenth Constitutional Convention of the Congress of Industrial Organizations. Portland: November 22-26, 1948.
 10. The source and amount of some of these funds can be seen in a partial list of contributors which appeared in the CIO News (Cal. Ed.), November 1, 1948, p. 8. The exact references and amounts are as follows:

"Amalgamated Clothing Workers ..	\$50 per wk. since early October
UAW-CIO	\$10
UAW-CIO, North American, Local No. 887	\$200 worth of food
URWA-CIO, Local No. 44	\$200
UPWA-CIO, Local No. 107	\$25
IUMSWA-CIO, Local No. 9	\$100 & \$50 per mo.
Painters-AFL	\$47
USA-CIO, Local No. 2018	\$1,000 & \$100 per mo.
UAW-CIO, Local No. 509	\$50
URWA-CIO Local No. 215	\$22
URWA-CIO, Local No. 414	\$200
ACWA-CIO	\$100 per wk.
URAW-CIO	\$128 and food

set up for the union's members and their families, the union stressing this was not charity but a service to which the strikers were entitled. "Scrounging committee" not only bought produce directly at the fields but obtained special discounts from wholesalers as well. Extreme hardship cases involving medical emergencies were taken care of. But as one local official ruefully admitted, it was impossible to assist all deserving members.

Another reason for the strike's failure as advanced by union members was that a hostile press either denied them access to the public or else presented newspaper readers with a false and distorted picture of the strike. This charge was lodged against the Hearst chain, in general; moreover, the San Francisco News; the Oakland Tribune and the Richmond Times, in particular, were cited as being "notoriously anti-labor."

The general tone of complaints of this sort, which were not uncommon, is well-illustrated by the following excerpt from a California CIO News article entitled: "Oil Striker Gives Newsman the True Story:"

"I believe that all of the men, some 15,000 of them, have learned that the newspapers have let us down. There hasn't been a single article that has stated our case with any truth. This fact has been more important that it might appear . . . We feel that 'Big Business' dictates what is published yet it is the working man that subscribes to your papers and makes the advertisements pay off. Which is more

important to a newspaper - its subscribers or those who pay for the advertisements?" 11, 12

In support of such a "dictation" allegation, an official of the Richmond local stated that CIO Newspaper Guild reporters assigned to the strike not only made contributions to the strike fund (without the knowledge of their employers,) but wrote "honest" and "sympathetic" accounts of the strike. However, according to the union critic, these stories were revamped by the "re-write" desk so as to "distort the truth completely."

Reporters of both the San Francisco News and the Oakland Tribune have had some interesting remarks to make concerning this union comment. They state that professional ethics requiring reportorial accuracy do not permit them to write "sympathetic" stories on such issues. If they did, it would result in a severe reprimand and in dismissal if the offense were repeated.¹³ They also made quite clear the fact that the \$500 contribution made to the OWIU by the San Francisco-Oakland Newspaper Guild-CIO was voted on openly and without fear of retaliation from anyone. As far as the "roughing-up" of news photographers is concerned, they state that following a protest by the Guild to Local No. 561 of Richmond declaring such treatment of fellow CIO unionists was unwarranted, the union finally took steps to see that its members did not continue to molest cameramen. The consensus of opinion was that, with the

11. CIO News, December 6, 1948, p. 2.

12. As neither the writer nor the recipient of this "letter" are in any way identified, it may be purely apocryphal. Nevertheless, it does epitomize a certain union attitude.

exception of the San Francisco Examiner's riot articles of September thirteenth, the Bay Area press had been "fair" in its treatment of the strike. Some of the reporters volunteered the statement that they considered the action of the police, at times, to have precipitated some of the violence that did occur.

Another interesting facet of the newspaper aspect of the strike was the heavy expenditure made by the companies for advertisements.¹⁴ The average fee for one so-called "national," full-page advertisements in the metropolitan San Francisco newspapers is \$1,200 for weekday, \$1,400 for Sunday editions. Although the companies did not confine their East Bay advertising solely to the San Francisco Chronicle and the San Francisco News, a tabulation of the series of nine full-page advertisements appearing in those papers alone indicates that the minimum San Francisco area cost amounted to nearly \$18,000. And if figures were available for all the Southern and Northern California newspapers with whom such advertisements were placed, the total cost might conceivably amount to several times this sum. In contrast to this publicity exploitation by the companies, the OWIU did not attempt to contact the public through the media of advertisements although the newspapers stated they would have run similar copy for the union.¹⁵

13. Purportedly, "interpretative" license is confined solely to the editorial sections.

14. The San Francisco branch of Batten, Barton, Durstine and Osborn handled the advertising of the "Big Six."

15. The only limitations on advertising are that the copy "may not be offensive to the public taste or libelous."

One newspaper, however, felt that the causes of the strike's failure were to be found in the manner in which the union had conducted the affair. It stated:

"Strike Ill Conceived and Badly Handled

"As we have frequently done before in connection with the outcome of striking, we do again, now that the oil workers' strike is coming to an end, that is, raise the question:

"What did the strike gain for the workers that they would not have gained without a strike?

"In the case of the refinery workers we believe the true answer is that they gained nothing, but on the contrary lost grievously . . .

"We ask these questions and raise these points not in derogation of the right to strike - a right we recognize as fundamental to the maintenance of labor's strength and solidarity - but precisely for the purpose of impressing union members with the necessity to protect that right by the wise use of it.

The oil workers' strike was ill conceived, impulsively undertaken and badly managed throughout. Although a majority of the union members voted for it, that does not relieve the officers from blame in not recognizing a reasonable settlement or for not counting in advance the possible costs of failure to win . . ." 16

As far as personal economic hardship and the abandonment of the strike by the workers are concerned, both the companies and the locals agree that these were crucial factors in bring about the collapse of the strike. Without exception, the companies gave as the primary cause the return to work of their striking employees. And Shell Oil calculated that the dispute cost the majority of its workers on the average of at least \$500 in lost wages.

16. San Francisco News, November 6, 1948, p. 12.

In regard to "fear," which was one of the union explanations, the obverse side of the coin was called "dissatisfaction with the union's policies" by the companies. Uniformly, the companies stated that those of their employees who did go out on strike had done so because of mass pressure and without an opportunity to ratify the strike vote and that many had been absent when the various strike votes were taken. Consequently, when the strikers saw what the strike really meant and the way it was going, they became disgusted and voluntarily returned to their jobs.

Ample evidence of such an attitude was found, said Shell Oil, in numerous letters received by the Company which stated that the writers were not in sympathy with the strike. Allegedly, these letters frequently contained comments of the following nature: "If the strike isn't over by Monday, I'm coming back to work because if it drags on until then it isn't benefitting me or anybody else." And, according to the Company, the men who communicated with Shell in this manner invariably appeared for work before the expiration of their stipulated deadlines.

The Union Oil Company purportedly had a similar experience at its Wilmington plant. There strikers would telephone the refinery and contact their supervisors, asking if they could return to work. According to the orders issued by Mr. Kingman, the Plant Manager, the supervisors were instructed

to say only: "There's a job here for you if you want it."
 No persuasion of any kind was authorized.¹⁷

If the striker's response to this "statement of fact" was an offer to resume work, then a rendezvous would be arranged for a certain hour at a certain downtown Los Angeles street corner. A Company panel delivery wagon would then be dispatched to pick up the men who had made such arrangements and take them back to the plant and through the picket lines.¹⁸

The companies have made a variety of comments on the "nature of the union leadership and the unions demands." For example, a Tide Water Associated spokesman stated: "Before this when they came to us they always had some basis to go on. This time they had absolutely nothing." And as a Shell official commented: "They came armed with hundreds of charts. They were highly inconsistent. Up here (San Francisco) they spent days plugging the Heller Budget while down South they never even mentioned it."

Furthermore, said the companies, in addition to basing their arguments on a host of unacceptable premises, the OWIU

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17. Rodeo strikers stated that as a result of telephone calls initiated by the Union Oil management at Oleum they were threatened with suspension of pension rights and other forms of retaliation unless they returned to work immediately. The Company labelled these allegations as "preposterous."
 18. This particular type of conveyance was used in order to shield the strike breakers from a union observation post set up directly opposite the plant's main gate. There, by the use of high powered binoculars, strikers were attempting to identify scabs and thus to compile a scab "black list."

leaders had an exaggerated conception of their ability to achieve their publicly proclaimed objectives. This was a result, in part, of the fact that management had given in to a series of demands that had been made by the union in the recent past. As a consequence, said the companies, the union leaders had become cocky and overconfident. Inevitably, this led them to overestimate their strength.

But the union leaders soon found that they were unable to fulfill the promises they had made to the locals and their members. The OWIU was "out on a limb." To retreat would have meant a tremendous loss of personal prestige for the officials directing the strike. Rather than suffer such a set-back, the decision was made to continue the strike.

This meant that the union leaders were actually sacrificing the welfare of their members in an effort to achieve their demands as a matter of principle. The effect of thus prolonging the strike was further to debilitate the locals and embarrass the OWIU. The loss both financially and as a matter of prestige, as the companies pointed out unregretfully, was tremendous.

In considering the action of the union leaders, some members of both management and the public have asked: "Why wasn't the OWIU satisfied to 'rest on its laurels'?" They point to the fact that when the strike started the OWIU was in a fairly healthy condition in regard to the size of its membership and very definitely successful as far as its bargaining record was concerned. Within the "Big Six" it

had a membership of some 16,000 and considering that General Petroleum and other companies also dealt with the union's locals, the over-all California OWIU membership probably amounted to twice that figure. Furthermore, in some plants the union enjoyed substantial representation. Why, then, wasn't the union satisfied with its lot?

Probably one of the reasons for the union's discontent was the fact that Standard Oil was a serious block to its expansion. The union may have felt that Standard Oil was "keeping it down" and until that obstacle could be overcome, it would be perpetually thwarted by the Company's policy of containment or slow retreat. But no matter how anxious the OWIU may, perhaps, have been to improve its Richmond position in particular, such a desire did not alter the fact that there its bargaining power, on a numerical basis alone, if on none other, was weaker than it was elsewhere. And this was a crucial factor, the effects of which were not limited to Richmond nor to Standard Oil but had repercussions on other locals and other companies as well. The OWIU's strength at other points along the line did not act as a proportionate counter-balance to its weakness at the pivotal point.

In addition to being handicapped by the fact that its forces were disadvantageously located, the OWIU also suffered from the burden of having to sustain and propagandize an essentially "weak" cause.

Despite the fact that a low income laboring group, such as is employed in the refineries, can always "use" a wage increase, the oil workers were by no means in dire need. At the time of the strike, in keeping with their traditionally comparatively high status, wages paid in the California petroleum industry ranked among the top wages paid in the major manufacturing and extractive industries in the country. Consequently, the OWIU was unable to muster the sympathy nor obtain the equity support which the cause of the ill-paid, poorly-fed worker frequently attracts.

Just as the OWIU could not make a strong "case" for itself on the ground of wages, it was faced with the fact that the wage differential issue was a matter of "interpretation" and one which lacked popular "appeal." Furthermore, unsupported by other arguments, the rationale that the elimination of the East-West differential was a justifiable demand per se was hardly a trenchant point. Actually, it vitiated rather than strengthened the union's bargaining position.

Accordingly, the strike was lost not only because of all the inadequacies and strike-created weakness catalogued by the companies and the locals in their diagnosis, but because its basic premises were unconvincing.

Chapter VIII.

Effects of the Strike

In January, 1949, Locals No. 326 and No. 128 of Rodeo and Wilmington finally concluded an agreement with the Union Oil Company. Technically speaking, the signing of these contracts ended the strike. But, in reality, these formalities by no means put an instantaneous stop to all the innumerable forces the strike had set into motion as, even now, a year or more may elapse before the NLRB "violence" cases, as well as the criminal appeals, are legally disposed of.¹ Nonetheless, it is possible at this early date to make some sort of an appraisal of the strike's results and its effects on the proximate parties involved.²

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1. The violence cases, after having been deferred twice, are scheduled to be heard by an NLRB Trial Examiner in San Francisco on June twenty-third. If they are then taken to the Washington NLRB office, and, perhaps, from there into the courts, a considerable interval may elapse before they are ultimately "processed." Appeals to appellate divisions may have a similar effect on the court cases.
 2. Although the effects of the strike on other industries is not within the scope of this report, some suggestion of their nature is found in the statement by President A. T. Mercier of the Southern Pacific Railway that the line was losing revenue from oil shipments amounting to \$1,000,000 a month. San Francisco Examiner, September 10, 1948, p. 1.

It should be realized, however, than any attempt to estimate the effects of an event such as a strike is limited in its validity because the analysis is bound to be subjective to a considerable degree, and because no incontrovertible, definitive conclusions can be drawn. At present, the consensus is roughly divided into two over-all, internally consistent views: first, that the strike inflicted such damage on the union that it was actually "broken;" second, that in many ways the strike really strengthened the union. A more realistic estimate, however, is an eclectic one which, instead of viewing the strike's effects entirely in a pessimistic or optimistic light, takes into consideration that each of the foregoing viewpoints is applicable to a certain degree.

In terms of the purely conventional criteria of time, money and morale, it would appear that neither party achieved anything it did not pay for dearly and that final payment has yet to be made.

Taking into account the $12\frac{1}{2}$ cents an hour increase, it would take the lowest paid yard laborer approximately thirteen days at the new rate before he could recover what was lost during one day of the strike. At this pace, two years would elapse before the difference could be "made up." But, such calculations are untenable; the money is irretrievably lost and so is the time.

3. Both the popularity and unsoundness of such a mathematical approach has been pointed out by Ross, op. cit., p. 24.

The companies suffered similarly, but to a certain extent they have been able to mitigate the effects of these losses. Twice since the end of the dispute the companies have raised the price of gasoline, the first mark-up being accompanied by a statement that the boost was made necessary⁴ by the "general wage increase" granted by them. But whatever additional revenue may be obtained through these higher prices, it will not compensate for the loss of high octane gasolines, "Ethyl" type gas, kerosene, other fuel oil, asphalt and a variety of other valuable by-products that could not be produced throughout most of the strike period. Although the so-called "straight-run" gasoline put out by the companies at that time involved a relatively simple distillation procedure, actually it was an expensive process as it meant that the valuable by-products were not extracted.⁵

By thus simplifying their operations as much as possible, despite their limited manpower the companies were able to maintain their sales volume of regular gasoline at a fairly high figure. In part, this was accomplished by establishing a distribution system which effectively circumvented the picket lines.

4. Oakland Tribune, November 11, 1948, p. 1.

5. Although Local No. 561 and others have charged that this gasoline was run off without being tested, research personnel have stated it was analyzed just as it would have been under normal operating conditions.

In general, the activities of the Standard and Union Oil Companies illustrate the procedure that was followed in both Northern and Southern California. At Point Richmond and Port Costa gasoline was loaded directly onto barges and moved to Sacramento where it was transferred to trucks that supplied the service stations. At Wilmington, the Union Oil Company, which had some twenty pipe-lines spanning the short distance from plant to docks, gas was pumped directly to "customer" ocean-going ships and to the Company's tankers as well. Formerly these tankers, except for a bi-monthly run to Hawaii by one ship, had been used on coastal runs. After the strike began, several ships were assigned to the Honolulu route, a few were sent to the Canal Zone and others to Portland, Oregon. But more important was the shuttle run between Wilmington and San Diego, where, as in Sacramento, gasoline was pumped from tanker to truck and then distributed locally. Thus, by continuing to service the three focal distribution centers of the Pacific Coast, the companies were able to keep up their sales of regular gasoline. However, despite all this ingenious activity, the loss of the by-product sales as well as the burden of the extra handling charges constituted a heavy financial charge that the companies were forced to absorb during a greater part of the strike.

The obvious financial losses of this type have attracted considerable attention, but much less thought has been given to the "psychological" costs of the strike, which, in the

long-run, may prove to be far more significant. The greatest of these costs concern the damage done to "personnel morale."

Before the strike began, the quality of the personnel administration in the California petroleum industry, in general, had been a source of some satisfaction to both the employers and the employees. This does not mean, of course, that some grievances did not exist but, rather, that on major personnel issues the workers were receiving equitable treatment. As early as 1923, Standard Oil of California had instituted a health insurance program with provisions for giving the workers and their families adequate medical care. This plan was soon adopted by other large companies as were paid vacations based on seniority and the establishment of a number of "fringe" benefits.⁶ And although some of the smaller corporations have been unable to copy verbatim the policies of their big competitors, the personnel policies of the industry as a whole are on a high level.

In contrast, however, the industrial relations and collective bargaining aspects of the situation have not received similar progressive treatment. Most of the companies have been more concerned over the preservation of what they have

6. The pre-World War II operations and policies of some of the national, and California, companies are discussed in: U.S. Temporary National Economic Committee, Monograph No. 39, "Control of Petroleum Industry by Major Oil Companies," (Washington: Government Printing Office, 1938).

considered management's prerogatives than with any sustained attempts to find a mutually satisfactory modus operandi. This has been especially true of Standard Oil where negotiations have usually been protracted and "heated." From its conduct both before and during the strike, Standard Oil's policy seems to have been that of "containing" the union as much as possible. And encouraged by Standard Oil's lead, other companies, such as Union Oil, have followed the same course of action.

And frequently the locals have accused the companies of "insincerity." As proof of this, as far as the oil strike is concerned, they cite the manner in which the issue of "violence" was handled. For example, Union Oil is condemned for its method in gathering evidence for the contempt charges which involved mounting motion picture machines and still cameras just inside the gate of the Oleum plant. Any such "violence" such as rock throwing, et cetera, was filmed; then, identification and subsequent process service was carried out on the basis of these pictures.

The most unwarranted, and objectionable, feature of this whole procedure, according to Local No. 326, was the manner in which "the changing of the picket line" was used to support charges of violation of the injunction orders. Allegedly, the Company took photographs while two relief pickets were replacing the pickets who were just going off duty so that it could be proven that there were four men at the gate and not two as the court had specified.

Furthermore, said the local, the Union Oil Company had agreed that the Board, which had been set up according to the terms of the January settlement, would judge each case strictly on its merits. However, the Company violated this understanding, the union charged, by introducing these motion pictures and "stills" as evidence.⁷ In addition, the local stated that although a number of the accused men could identify themselves in the company presented films as being mere spectators, who at no time during the sequences shown engaged in violence, they were nevertheless found guilty by the Board in a 2-2⁸ decision.

A number of men resigned rather than face the Board. The local explained the action of the seventeen men, out of the forty-nine charged with "violence," in the following manner: These men, feeling what they called a "kangaroo court" would find them guilty regardless of the evidence and that they would then be discharged without collecting any "terminal pay," elected to accept the Company's offer of resignation accompanied by one week's pay for each year of service. In some cases this amounted to more than \$350 and was very important to the men who had exhausted all their funds. Seventeen others, who were willing to risk the loss of this "terminal pay," went before the Board, were found guilty and were

7. There is no reason why any such "agreement" should be legally binding.

8. According to the terms setting up this and similar Boards, a "tie" did not mean acquittal but a verdict of guilty.

discharged by the Company. One man was reinstated with back pay but with no loss of other rights. And fifteen strikers, who readily admitted engaging in rock throwing and other forms of minor violence, were not only reinstated but received all their back pay as well. In other words, says the local, the whole procedure was a travesty. The Union Oil Company, however, maintains that the Board hearings were conducted in a proper manner and with due regard for the rights of the individuals involved.

And just as Local No. 326 has criticized the Union Oil Company at Oleum for these policies, Local No. 561 has condemned Standard Oil for similar conduct at Richmond. There, during the height of the disturbances, Company photographers were perched atop buildings and in trucks filming the melees with the aid of telescopic and other special equipment. Furthermore, a Standard employee, the local called him a "stooge," brought a wire-recorded into an outdoor union meeting and recorded the entire proceedings for the Company's benefit.

All in all, some sixty-four strikers were denied reinstatement by Standard Oil on the grounds that they had been guilty of acts of "violence" during the strike. But these indictments are less significant in themselves than for the fact that out of these sixty-four cases, sixty-two of them⁹ are being certified for appeal to Washington by the NLRB.

9. As these cases have yet to come up for hearing before a Trial Examiner, no official confirmation of these figures will be available for some time.

An investigation of a few of these Standard Oil "violence" cases has revealed the following facts:

1. Striker arrested in Richmond for having "bomb" in car. The U.S. Army Chemical Warfare Service states this "bomb" is a non-explosive "smoke pot." The Richmond Police use smoke pots of the same serial identification number and make as that discovered in the car.
2. Striker accused of forcing non-strikers' car off the road. State Farm Insurance Company adjuster held striker not responsible for the collision.
3. Knife found in striker's car; \$75 fine; discharged.
4. Striker, off the picket line, became involved in a fight with two men not employed by Standard Oil who had made insulting and obscene remarks regarding strikers. 10

A number of other case studies show that these sixty-two strikers were either not guilty of the alleged violence or else sufficient reasonable doubt exists to rule out any findings of guilty. Also, although there are a number of fine points in both tort and agency here, many less subtle questions are raised by these cases. For example, How far is a company entitled to go in deciding to discharge an employee, as did Standard Oil in the four cases mentioned above, on the basis of circumstantial evidence? Also, can a company punish a worker for some

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10. (1) Bright Case
 - (2) Dausy-Jones Case
 - (3) Ferreir Case
 - (4) Lods Case

act done off the plant and after hours? In other words, can a company demand twenty-four hour accountability of its workers? And, if so, what line, if any, is that company going to draw between misdemeanors and more serious offenses?

In addition to being indignant over the companies' policies that have already been discussed, the strikers have expressed bitter condemnation of the so-called "scab dragnet" which was maintained by some of the oil firms. Local No. 561 at Richmond and Local No. 445 at Martinez have charged that Standard and Union Oil maintained a "scab hiring hall" during the strike where "vagos" and other casuals were recruited through offers of free meals and board and time and a half over eight hours and super seniority if they chose to stay on after the strike was over. However, except in the case of the Union Oil Company at Wilmington, the companies, in general, obtained only a fairly small number of workers in this manner. Actually, the vehemence of the union's indignation is out of proportion to the volume of outsiders that did come in.

While the hiring of such scabs may have been a source of indignation to the union, it became a matter of considerable "embarrassment" to the companies that took them on. Shortly after the strike ended, the companies, such as Union Oil at Oleum, and especially at Wilmington, began to "release" these workers in small groups from time to time. Regardless of promises made during the strike, the companies were anxious

to get rid of the workers they had acquired as a temporary strike measure; management was confronted with a personnel problem of magnitude in regard to its regular employees and little attention could be given to other employment issues.

The companies were indebted to their "loyal employees," that is, men who stayed on the job or else deserted the strike and returned to work. Without them it would have been impossible for the companies to have carried on as the small scab work force would have been inadequate in most cases. And as the men involved had identified themselves with the companies, as a matter of principle they had to be upheld.

Ironically, this company policy has served merely to aggravate the situation. It is standard procedure that anything the company may do to support the morale of its "loyal employees" is met with retaliation from the union members. Union men make a fetish of maintaining cold, impersonal "third-person" relations with the "company men" with whom they must work. They are consulted with, or reported to directly, only when unavoidably necessary. They are barred from the small talk and the social interchange that ordinarily characterizes working in such plants. In other words, ostracism is both highly refined and assiduously maintained.

But this "cold shoulder" process is by no means confined to the plants. Depending upon the size of the community in which the "company man" lives, it can be equally, or only slightly less, effective in the social sphere as well. In a

community such as Richmond with a population of approximately 100,000, of whom 4,000 are Standard Oil employees, it is possible for the ostracized individual to some extent to "lose himself in the crowd." The fact that many workers live in outlying localities where they are cut off from the plant or fellow workers also alleviates the situation.

But no such escape is possible where the plant "is" the town or the town is primarily dependent on the plant for its business. This is true of Martinez where a majority of the workers live in the town or close to the plant itself. In Rodeo the Union Oil Company housing project of "Bayo Vista" is located less than a mile from the Oleum refinery.

Both Martinez and Rodeo are characterized by closely-knit community groups. Most of the residents and tradespeople know one another. And in the absence of the more varied amusement facilities that are available in larger towns, the locals sponsor a number of activities and play an important social role in the community.

The "company men" and their families now find that they are excluded from such social intercourse. The ruthlessness with which "the line is drawn" is absurd in its pettiness and heart-breaking in its virulence. The wives of these men are not invited to participate in the numerous, small community gatherings in which they once had a part. If they do attend, no one will speak to them. One woman said: "Church is the only place I can go these days without being made to feel

like a worm." And the men are being subjected to similar discrimination. No one will speak to a man who does not sport a ¹¹ "campaign star."

All this, of course, is having an effect. Some "loyal employees" are becoming increasingly bitter and determined "to stick it out," whereas others are becoming discouraged and are considering leaving. One "loyalist" said: "Hell! This is a free country - supposedly. Pension or not I'm thinking of clearing out. This stuff's getting me and the family down." Another group of "company men," however, has reacted differently. At Oleum, for example, unwilling to be without some form of union organization and protection, they set up an IUPW-affiliated local of their own numbering approximately 250 members.

Although the creation of IUPW "splinter" units, such as this one at Oleum, may not appear too important, nevertheless they are significant as they are backed by an IUPW which since the strike ended has become the NLRB recognized agent at Standard Oil's Richmond refinery. As a result of the election held November seventeenth and eighteenth, the IUPW is now in control of the bargaining rights at the ¹² most crucial plant in the entire California petroleum industry. And considering the fact that the IUPW was miserably defeated in 1946 by the OWIU

11. Men who were "out" during the entire period of the strike proudly wear a gold star similar to those awarded for combat engagements during World War II.

12. In hopes of duplicating its Richmond triumph, the IUPW has petitioned the Board to order a similar election at Standard Oil's El Segundo plant.

and had not done well in the interim, it is reasonable to assume that it won the 1948 jurisdictional election not so much on its own merits as on the strength of the OWIU's mis-handling of the strike. And this emergence of the IUPW as both an obviously strong and officially recognized rival of the OWIU is one of the most significant effects of the strike. Naturally, it will only serve to intensify the competition and hard-feeling which has existed between the two unions for several years.

One of the reasons the OWIU opposition has been so bitter is that, according to the OWIU's allegations, the IUPW sprung full-blown from the Standard Employees Association. The background here is as follows: In response to an Application for Investigation filed with the NLRB by the OWIU, a study was made by the Board to determine whether the Association was company dominated. The NLRB found the alleged domination to be a fact and on May 19, 1945 issued an order dissolving the SEA. In compliance with this directive, the Company two days later released the following bulletin:

"NOTICE TO ALL EMPLOYEES

"Persuant to a Decision and Order of the National Labor Relations Board, and in order to effectuate the policies of the National Labor Relations Act, we hereby notify our employees that:

"We hereby disestablish the Standard Employees Association as the representative of any of our employees for the purpose of dealing with us concerning grievances, labor disputes, wages, rates of pay, hours of employment or other conditions of employment, and we will not recognize it or any succession thereto for any of the above purposes.

We will not dominate or interfere with the formation or administration of any labor organization or contribute finances or other support to it." 13

Thus, the SEA was dissolved. Shortly thereafter, the IUPW unit at Richmond was organized with a number of officials in control who had formerly been executives in the defunct SEA. This circumstance has led OWIU local leaders to ask: "What's the difference, anyhow, between the SEA and the IUPW?"

Under these conditions, hostility was to be expected. But it was heightened by two factors. One of these is that the IUPW has consistently followed a "company line." The IUPW's needling of the OWIU during the strike and its early settlement with Standard Oil are examples. Furthermore, the IUPW's hegemony at Richmond is assured for at least a year as it is the NLRB's policy not to act on a rival union's petition for an election until that period has expired, and, usually, the time does not begin to run until the lapse of a "reasonable" time following the signing of a formal contract. 14

At present, it appears that the IUPW's official status will continue until March 15, 1950 and probably beyond that date as the IUPW's certification did not take place until March of this year. The delay grew out of circumstances

13. In the Matter of Standard Oil Company of California and Oil Workers International Union, CIO, Local No. 299. NLRB Case No. 20-C-2167, May 19, 1945.

14. In one case of OWIU recognition by the NLRB and the concomitant Standard Oil contract, the "reasonable" period lasted more than fourteen months.

surrounding the results of the November election which were:

	(15)	AFL	IUPW	OWIU	IAM	None
1. Bricklayers		7	1	0	0	0
2. Metal Workers		8	0	0	0	0
3. Carpenters		69	3	0	0	0
4. Plumbers		109	45	56	0	0
5. Production Men		-	1011	752	89	33

Nine votes

in the Plumbers' election were challenged which meant that the AFL lacked a clear-cut majority. Pending an investigation whether these votes had been cast by men actually not connected with the Company at the time of the election, certification of all the other units was postponed. On February 8, 1949, over the protests of the OWIU, the NLRB Regional Office in San Francisco recommended to Washington that a run-off election be held for the Plumbers and that the other units be certified. The IUPW received its certification a month later.

One of the OWIU's first objectives in any attempt to recoup the losses suffered from the strike will be the extremely important one of wresting back the Richmond control it lost to the IUPW. Unless the OWIU can succeed in getting its Local No. 561 reinstated as the bargaining agent as soon as possible, the OWIU will have no official standing in this, the most important and hostile employer power center.

As a result of the strike, then, it can be said that the OWIU lost money, members and prestige and contributed to the growth of its main rival, the IUPW. Furthermore, its bargain-

15. See: p. 83 for full union titles.

ing weapon of the threat to strike has been greatly weakened as the companies are now sure of a factor about which they hitherto could never be certain, namely, that an OWIU strike can be beaten. Accordingly, the companies may in the future be even less amenable to dealing with the OWIU than they have been in the past. In addition, a number of union members are disgruntled not only with the manner in which the OWIU leadership handled the strike but over the personal financial costs of the strike as well. Therefore, it is possible to say that the strike was a devastating experience for both the OWIU and the individual locals.

And yet, there are numerous reasons why the strike can-
not be considered an unqualified failure. To be an effective weapon, the strike must be used occasionally. Now, instead of having to start virtually from scratch after a twenty-five year period of no striking, the union will know how to prepare for such a dispute. Presumably, it will cultivate better communications and greater solidarity and plan both the physical and financial preparations that should be carried out before a strike is undertaken.

That the OWIU may be in a position to do this may, perhaps, be the result of the vicissitudes of the 1948 strike. For example, a number of the locals have stated that under strike-generated pressure quite a few men whom they had not suspected of possessing any leadership ability whatsoever

forward and did highly effective jobs in organizing various strike activities. So while the strike may have disclosed some defects in the higher echelons, it also revealed to the locals, and to the national organization as well, sources of capable leadership which may be of great value to the union in the future.

But the attitude of the companies will, more than anything else, determine whether the long-run effects of the strike can be considered as severely crippling or merely temporarily restricting. It is possible, contrary to the traditional pattern, that the companies may not try to "push" whatever advantage they may consider they have won as a result of "beating" the strike. Furthermore, a "shake-up" in certain departments and a revision of traditional personnel policies could conceivably take place. At present a number of the companies' "policy makers" are pondering the riddle of why one of the nation's highest paid industries, which boasts superior benefits and good working conditions, should be "visited" by such a labor dispute as the oil strike. And it is possible that candid and unconventional consideration of this problem might lead to significant results.

But it does not seem likely that any such development will take place in the immediate future. Both parties are still uncertain about just what precise policies will be best for their future relationship. And in the absence of

any new and constructive approach to the problem of "getting along," collective bargaining is slipping back into its old, familiar pattern.

A Personnel Director of the "Big Six" has declared:

"Considering the caliber of the men who are running the union show, I don't see how we can get anywhere. So long as they're in the saddle, there'll be nothing but trouble ahead. We've got to be able to deal with responsible, rational people who'll stick to reasonable arguments. We can't follow the old system any longer."

To that statement an OWIU official made the retort:

"We didn't know our way around the last time. But we're not licked - yet. And they'd better not think so. The next time we go in there we're going to win and no doubt about it."

If either of these attitudes is a representative and genuine expression of the way the companies and the OWIU feel, the next outbreak of "trouble" will not be long in coming. And under these circumstances, it may be said that an industrial relations "cold war" still exists in the California petroleum industry and is likely to be prolonged as a result of the oil strike of 1948.

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